
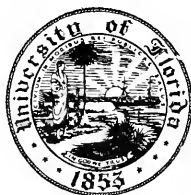


SERIES IN HOUSING AND COMMUNITY DEVELOPMENT

# ACTION

An abstract graphic consisting of a dense, overlapping network of white lines on a dark, textured background. The lines vary in thickness and orientation, creating a complex, web-like structure that partially obscures the letters 'A' and 'C' of the word 'ACTION'.

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GOVERNMENT AND HOUSING  
IN METROPOLITAN AREAS

A

*American Council To Improve  
Our Neighborhoods*

C

SERIES IN HOUSING AND  
COMMUNITY DEVELOPMENT

BANFIELD AND GRODZINS:  
*Government and Housing in Metropolitan Areas*

WINNICK:  
*Rental Housing: Opportunities for Private Investment*

*Other books are in preparation*

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N

# GOVERNMENT AND HOUSING IN METROPOLITAN AREAS

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GOVERNMENT AND HOUSING IN METROPOLITAN AREAS

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# **ACTION** *American Council To Improve Our Neighborhoods* **Series in Housing and Community Development**

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\* Members of ACTION's Board of Directors.

This volume is one in the ACTION Series in Housing and Community Development made possible by a grant from the Ford Foundation to the American Council To Improve Our Neighborhoods. Some of the contributors to the Series are members of ACTION's staff; others are at universities or in private practice. The findings they present here are the product of their own selective process. The conclusions they reach have had the benefit of advice and comment from a wide variety of persons, including members of ACTION's *ad hoc* committees for the Series. Neither individually nor collectively, however, has ACTION's Board of Directors attempted to limit the authors in the facts they present, the conclusions they reach, or the recommendations they propose to solve or mitigate a particular problem. Whether prepared by staff or consultants, the volumes in the Series are uniquely the product of their authors. To say here that the authors' findings and views do not necessarily reflect the knowledge and attitude of ACTION or of any or all of the ACTION Board of Directors is also to underline the Board's intention that the Series should provide fresh points of view to some of the most complex and controversial problems of housing and urban development in America.

ACTION hopes that both the expert and the student will find the volumes useful additions to the literature on housing and community development. The principal purpose of the Series, however, is to inform and stimulate the growing body of influential businessmen, professionals, and citizen leaders

whose opinions on many facets of urban life are having a profound effect upon the kinds of policy and actions required for the provision of adequate housing.)

Andrew Heiskell, Chairman, ACTION Board of Directors

Ferd Kramer, Chairman, ACTION Research Committee

Joseph W. Lund, Chairman, *ad hoc* Committee on the Investor

Roy W. Johnson, Chairman, *ad hoc* Committee on the Producer

Ben Fischer, Chairman, *ad hoc* Committee on the Consumer

Philip L. Graham, Chairman, *ad hoc* Committee on the Government

Guy T. O. Hollyday, Chairman, *ad hoc* Committee on the Community

## Foreword

The ACTION Series in Housing and Community Development is the published part of a two-pronged effort of the American Council To Improve Our Neighborhoods (ACTION) to help bring about a higher level of living in this country's urban areas. It has been made possible by a grant from the Ford Foundation. These volumes analyze many of the facts about the present condition of American communities, particularly with respect to housing, and offer new conclusions about the problems and potentialities implied by the facts. The other part of this ACTION effort is made up of many activities through which ACTION and other groups are aiding communities and their citizens to meet present local problems and to realize future potentialities for sound urban growth. These activities put to the test the proposals of the authors and the members of the *ad hoc* committees for improving the nation's urban life.

Specifically, ACTION aims through this Series and its related program efforts to create a climate within which the choices available to the American people for improved urban living can be expanded in terms of a larger supply of housing, of better quality and at lesser cost. At the least, this means the realization of the following objectives:

1. The elimination of slums that cannot be economically rehabilitated.
2. The improvement of properties that can be economically rehabilitated.
3. The preservation of currently sound housing and neighborhoods by slowing down their rates of obsolescence.
4. The provision of new housing on both cleared and va-

cant land in sufficient quantity and in satisfactory quality to meet current requirements and the requirements of the huge urban growth foreseen in the years ahead.

5. The accomplishment of the foregoing objectives in conjunction with a high level of coordinated community services and in such a manner that all income, racial, and other groups in the population will be served.

6. The effective planning and distribution of urban functions in order to correct the costly imbalances which now exist among them both within the central city and between it and its surrounding metropolitan area.

These objectives cannot be accomplished without intensive effort to organize pertinent knowledge systematically and to clarify the aims of urban policy. Obviously, this Series cannot furnish all the information necessary to solve all the problems. But the authors of the volumes do provide a basis for policy. They do so by analyzing the current problems and indicating possible future changes. The summary volume, the over-all view, takes the major findings of each of these specific studies and presents them along with the suggestions which the ACTION *ad hoc* committees believe to be most promising for solving a number of critical current problems.

The framework of the Series is based on the primacy of the consumer in the housing market and in housing policy. Because the largest number of Americans live in urban communities, the studies deal only with cities and urban housing.

Most of the wealth of America is in its cities. And most of the wealth of cities is in residential structures and their related utilities and facilities. The value of dwellings alone stands at over \$300 billion, a figure twice as large as the assets of the country's 500 biggest manufacturing companies. Not only is housing the largest single item in our national wealth, but that part of it which is newly constructed amounts on the average to more than a fifth of all our capital expenditures each year. New housing uses one-third of the lumber produced in

the country, two-thirds of the bricks, at least half of most plumbing items, and three-fourths of all gypsum products. Yet new housing in any given year is only 3 per cent of all housing. These statistics prove that housing is among the most important commodities in our economy, but they do not prove that our supply of housing meets the requirements of all consumers nor that it is produced as efficiently as possible.

For housing, as for other commodities, the market place tends to govern the quantity, quality, cost, and distribution of the product. America is properly famous for what it produces. It is equally admired for the methods of production and distribution which its industries have developed. Particularly in the past 25 years, accomplishments in housing have been considerable, but either they are not considerable enough or the dissatisfied observers of, and participants in, the housing market argue their case more eloquently than people do about other commodities and services.

The very nature of housing makes almost inevitable that both the product of the housing industry and the mechanism of the housing market should come under criticism. Unlike most other economic commodities, housing is also a social commodity. As such, it is overlaid with all kinds of attributes that blur the lines between supply and demand, need and preference. In our system of values as well as in our vernacular, the house is the home. So long as it stands as the symbol of the family, satisfaction with it will take as many forms as the traditional sentiments which people attach to it.

But putting aside its social values, housing is still very different from other economic commodities. Its scale of cost, for one thing, is not matched by any other commodity. For most householders, monthly housing outlays represent their largest current expenditure after food and—if they buy a house—their largest single expenditure in a lifetime. Another of its distinguishing attributes is immobility. A pair of shoes or an automobile can be shipped from one part of the country to another

as demand varies regionally. Most housing, on the other hand, is immobile; it is tied to its land. Still another example of difference is the fact that the market for housing is essentially one for an existing stockpile; even in years of highest new housing production, the stockpile still meets 97 per cent of the demand for housing. Coupled with the high level of expenditure always required for housing, it makes the market respond disproportionately to sudden declines in the economy and in consumer income. The Depression of the thirties, for example, while it greatly reduced the production of automobiles and other consumer goods, cut down the number of new housing starts proportionately very much more. Because housing is so vulnerable to economic fluctuations, it has rarely attracted large amounts of risk capital from individual firms.

Relatively few of housing's small businessmen have introduced technological advances into their operations. Where they have, the results have been remarkable, but the small scale at which most of them operate has generally precluded their investing in much more than an occasional market analysis or research in design. Their scale of operation also tends to foster labor practices which, while protecting the otherwise precarious position of workers in a seasonal and fluctuating trade, nevertheless contribute to production inefficiencies. But if the small businessman in housing sometimes operates at a disadvantage, he has nonetheless been remarkably successful in Washington. Since the 1930s he has persuaded the Federal government to underwrite the housing market with credit mechanisms and other benefits which eliminate much of his risk.

It is important to remember, however, that Federal policies which reduce risk in home building have not been adopted simply because housing has extraordinarily persuasive spokesmen. Inducements to the construction industry and to the manufacturers of materials have become traditional compensatory measures when the economy slumps.

There is considerable irony in the fact that the very pro-



tective devices which surround the production and marketing of housing inhibit its industrial rationalization. As the risk goes down, so does competition, and competition is one of the essential ingredients for successful production and merchandising in America. Piece by piece, the whole setting for housing tends to magnify the inability of private enterprise to merchandise housing in the extraordinary way that the American economy merchandises its soup and soap, aspirins and automobiles. It is hardly surprising, therefore, that the consumer has come to place less and less attention on his dwelling and more and more attention on nationally advertised commodities to go into his dwelling or to use outside it.

This widespread shift in consumer values hits hard at every city's struggle to stay viable, for the state of our dwellings and the state of our cities are inseparable. Relatively minor deterioration and obsolescence in a city's residential parts can have major economic repercussions on the whole urbanized area. So can inappropriate locations of housing types and levels of density. If housing types determine the pattern of social organization and activity in the city, density determines the city's size and circulation. In different combinations they add up to a greater or lesser public investment in schools, parks, playgrounds, streets, and utilities and to a greater or lesser economic return to the private entrepreneurs who invest in, build, own, and manage housing or provide a range of services and commodities for its occupants. Next to their employment, where people live and the way they live constitute the most important feature of urban policy.

Within this general setting, the ACTION Series in Housing and Community Development deliberately combines research and policy-making activities to help clear away obstacles that stand in the way of the kinds of communities that will meet the requirements of new quantities and qualities—esthetic as well as economic and social—in American life. Throughout the preparation of the volumes there has been unique interplay

between the researcher and representatives of the key groups which make public and private policy for the housing market and for urban development.

For all the studies, I sought to associate with the Series the ablest persons I could find. Some of the authors, although informed on housing matters, had not previously written about them. Their points of view, I felt, were likely to be uncluttered by old attachments. I asked other persons to participate in the Series, however, because they so clearly were experts in the field.

✓ My method of organization for the Series was this: The primary agents whose decisions determine how effectively housing and community services respond at any point in time to the often conflicting demands and requirements that are made upon them were identified as the investor, the producer, the consumer, the government, and the community. For each of these major areas of housing involvement and interest, ACTION's directors set up an *ad hoc* committee whose responsibility was to suggest feasible courses of action which stemmed from the subject matter dealt with by the researchers for the separate volumes.

1 Thus, within the broad category of investment, the *ad hoc* Committee on the Investor considered the problems of rental housing and rehabilitation. In his study, *Rental Housing: Opportunities for Private Investment*, Louis Winnick uncovers many of the deep-seated forces which have produced a significant decline in apartment construction. He sets forth reasons why life insurance companies have abandoned their rental-housing programs and why apartment developers have become so dependent on government mortgage aids. But he also outlines an impressive list of factors which point to a broader demand for urban apartments in the future. The committee's second area of interest, the economic feasibility of rehabilitation, had its inception in the great stress on rehabilitation expressed in the urban-renewal provisions of the Housing Act of

1954. In *Residential Rehabilitation: Private Profits and Public Purposes*, Miles L. Colean and William W. Nash present a comprehensive examination of the rehabilitation market and the individuals who operate successfully in it. Based on intensive field investigation and factual accounts of operations by well-known rehabilitators in a number of cities, the study explores investment opportunities in housing rehabilitation and discusses the role local government can play in stimulating rehabilitation either inside or outside official urban-renewal areas.

2 The Committee on the Producer accepted the challenge of proposing ways to achieve the potential opportunities for technological change in the design and production of housing. As a basis for these proposals, Burnham Kelly and a team of associated experts at the Massachusetts Institute of Technology analyze the blocks which prevent the housing industry from taking advantage of a new way of life and cost-saving features offered by new design and technology. Their book, *Design and the Housing Industry*, explores the roles of the builder, the labor union, the manufacturer of building materials, the architect, and the public official, and points out ways in which their combined efforts can introduce many forms of improved design and technological innovation into future home-building operations.

3 Problems with which the Committee on the Consumer dealt are interrelated with all the other studies in the Series, as the committee faced the issue of whether the behavior of the consumer can be altered to induce him to place a higher value on housing and the neighborhood amenities which complement it. Nelson Foote, Janet Abu-Lughod, Mary Mix Foley, and Louis Winnick collaborated in the research and writing of *Consumer Choice and Housing: Present Behavior and Future Expectations*, which brings together knowledge about the values people attach to their housing and the degree to which they appear to be realizing or sacrificing those values. In his chapters, Foote presents some original and thought-provoking

material on the organization of the dwelling unit for the kind of urban life now developing in most American cities.

4 Because housing is a commodity whose social value makes it a matter of national interest, it was necessary to explore the role the Federal government plays in its production and consumption. The Committee on the Government, therefore, was concerned largely with how housing credit policies of the Federal government impede or stimulate desirable competitive practices in the housing market and provide necessary protective devices for consumers who for reasons of age, income, discrimination, or incapacity cannot compete successfully in the market. Charles M. Haar, in *Federal Credit and Private Housing: The Mass Financing Dilemma*, gives a comprehensive account of the twenty-year evolution of Federal housing credit programs and provides a stimulating reappraisal of their impact on the housing market.

5 Finally, the studies which came under the view of the Committee on the Community explore both the responsibility and the limitations of local government in the achievement of a higher standard of urban life. Here the principal issues were ones of governmental structure as it affects the standard of housing in metropolitan areas, and of levels of expenditure for housing and related facilities required to reach a set of tentative goals throughout an urban area. Edward C. Banfield and Morton Grodzins are deliberately quizzical and provocative as they explore the first issue in *Government and Housing in Metropolitan Areas*. They look carefully at the political impediments to large-scale structural changes in metropolitan governments; examine the lack of logic underlying many current schemes for reorganization; point up some values of the "chaos of governments" in metropolitan areas; and offer a "model for action" looking to governmental change on a scale needed in terms of improved housing and possible in terms of political realities. In the second study prepared for the Committee on the Community, John M. Dyckman and Reginald

R. Isaacs explore the questions of our ability to pay for required investment in cities and the organization of our economy necessary to realize urban goals. In *Capital Requirements for Urban Development and Renewal*, they translate national expenditure totals into specific changes in the urban environment and convert specific local programs into a national bill of goods.

The final volume—the over-all view of the ACTION Series—brings together the principal points in each of the other volumes and puts them in the setting of the total housing market and public policy. The consolidated suggestions of the five *ad hoc* committees, which appear in the over-all view, thus become the preface for action.

As the committees reviewed the research materials presented to them, they sought to suggest policies and activities which if implemented by public agencies, private groups, or institutions under the stimulus of ACTION might reasonably help achieve the major objectives for the Series. The steps the committees recommend are an attempt to establish a level of aspiration for housing and urban development against which private and public decision makers can formulate policies and programs that with more ingenuity and flexibility than has been shown in the past will enable the housing market to function to its limit in satisfying the value we place upon its product. The combined report of the committees, which appears in the last volume of the Series, includes a plea for the empirical testing in many communities of a wide variety of new practices.

In a field such as housing and urban development in which only a small amount of research has or is being done, any effort is a pioneering one. Those who make it do so not only with the expectation that it will provide a fresh outlook for scholars and policy makers, but with the intention that it will provoke the next push forward. This Series, whose preparation began in February of 1956, is heavily indebted to several im-

portant predecessors: The Twentieth Century Fund's comprehensive analysis by Miles L. Colean, *American Housing: Problems and Prospects*; the scholarly research of Ernest M. Fisher and his associates at Columbia University's Institute for Urban Land Use and Housing Studies; and Coleman Woodbury's collection of perceptive essays for *The Future of Cities* and *Urban Redevelopment*. Moreover, this ACTION Series looks forward to being complemented by one which the Commission on Race and Housing is sponsoring.

Barbara Terrett, Deputy Director of Research at ACTION, shared the responsibility of administration, criticism and editing. Among many other persons whose knowledge and experience I called on frequently were Neal J. Hardy, director of the National Housing Center, and Arthur S. Goldman, director of marketing for *House & Home* magazine. Both of them were endlessly generous with their time and counsel. William L. C. Wheaton, a collaborator on the final volume, gave constructive review to several of the other volumes, as did Herrymon Maurer, the editorial consultant for the Series. Most of all, I am indebted to the authors of the separate volumes for the excellence of their contribution, and to the understanding and wisdom of the ACTION directors and *ad hoc* committee members. In particular, Ferd Kramer, ACTION Vice Chairman, who heads the Research Committee, Andrew Heiskell, Chairman of ACTION's Board of Directors, and James E. Lash, ACTION Executive Vice President, provided helpful criticism without which the Series would never have been developed.

Martin Meyerson  
ACTION Vice President

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Martin Meyerson, a friend and former colleague, ACTION Vice President, deserves our particular thanks. His suggestions and criticisms were invaluable at all stages of the work.

The members of ACTION's *ad hoc* Committee on the Community, whose names are listed on page vii, gave us their criticism at two crucial points. We are grateful to them for the suggestions they made and also grateful for their sensitivity to the difference between their role and ours. At no time did they attempt to influence our conclusions. Just as we realized that they could make whatever use they wished of our findings, so they carefully preserved our freedom to say exactly what we pleased.

In the course of the research we interviewed a number of persons concerned with the problem of housing in metropolitan areas—mayors, planning officials, housing and redevelopment officers, heads of professional and trade associations, home builders, and others. All of those to whom we talked were generous of their time. We do not name them individually because to do so might inadvertently divulge the source of viewpoints or data in the text which were originally given to us with our pledge of anonymity. The book could not have been written without the materials made available to us by those whom we interviewed.

Our colleague, Martin Diamond, carried out several interviews for us and also gave us the benefit of his sharp, critical views at a number of points. Our student, William Gerberding, supplied us with a relevant and useful paper (cited in the text) on the role of the states in housing.

The first draft of the manuscript was read critically by a

number of persons, including some of those we had interviewed as well as several academic colleagues. Though we were not always able to agree with what our critics said, all of their comments were carefully considered and many of them led to improvements in the text. For their valuable services as critics we thank Janet Abu-Lughod, former staff member, ACTION Research Program; William A. Doebele, Jr., Assistant Research Professor of Urban Studies, Center for Urban Studies, Harvard University; Stuart Eurman, Executive Director, Inter-County Regional Planning Commission, Denver, Colorado; Herbert J. Gans, Assistant Professor, Institute for Urban Studies, University of Pennsylvania; Luther Gulick, President, Institute of Public Administration; Morris E. Johnson, Planning Director, Salt Lake County (Utah) Planning Commission; Maxine Kurtz, City Planner, Denver City and County Department of Planning; James E. Lash, Executive Vice President, ACTION; William L. Rafsky, Development Coordinator, Philadelphia; Barbara Terrett, Deputy Director of Research, ACTION; Coleman Woodbury, Professor of Political Science, University of Wisconsin; and The Honorable Frank Zeidler, Mayor, City of Milwaukee.

Edward C. Banfield  
Morton Grodzins



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*To Leonard D. White*

# INTRODUCTION

II

This book is addressed to two main questions:

1. How does the structure of government in metropolitan areas affect the quality, quantity, and price of housing and related community facilities?
2. What changes in this governmental structure would improve the housing situation?

(As far as it is possible, this book deals with the effects on housing of the *structure* of government rather than with the effects on housing of the *policy* of government.) Structure and policy cannot, of course, always be separated. Nevertheless, the book attempts to take the content of policy as fixed or "given" and to look only at the consequences for housing of the way government is, or might be, organized. From this special standpoint, that governmental structure is best which produces the best housing situation. A "satisfactory" housing situation is defined as one in which there is adequate provision of new housing in both large and small tracts; existing housing is rehabilitated and conserved where it is economically sound to do so; housing which cannot be economically maintained is replaced by new housing or converted to other suitable uses; there is adequate provision of such related facilities as schools, parks, transportation, and shopping places; and no income or ethnic group lacks opportunity to secure adequate housing.

The volume is in three main parts.

✓ Part One describes the governmental structure which characteristically exists in metropolitan areas, defines the nature of the problem of metropolitan organization, and considers why so little has come of the many schemes that have been advanced for solving it.

✓ Part Two, based largely upon field interviews in a number of metropolitan areas, analyzes the views of informed persons regarding impediments to improvements in housing situations which arise out of inadequate governmental structure.

✓ Part Three examines the major remedies that have been proposed for the ills of metropolitan government as these bear upon the housing situation, and sets forth some conclusions and recommendations.

III  
As the following pages show, changes in governmental structure in the metropolitan areas may do much to improve the housing situation. But it should be said at the outset that the fundamental causes of unsatisfactory housing are unrelated to the way local governments are organized. One of these fundamental causes is, of course, poverty: the scarcity of resources in relation to wants. Another is imperfections in the capital market that discourage the free flow of investment into housing. A third is the virtual exclusion of a large number of consumers, Negroes and others, from important sections of the housing market. These problems may to some extent be met by governmental action. But this is not to say that they can be dealt with by changes in the structure of government.

An attempt is made here to clarify some matters which are unclear in most discussions, including: the effects on housing of the way government is organized; the advantages and disadvantages which may realistically be expected from the various schemes of reorganization that are commonly offered; and what is politically possible in the way of reform and reorganization. The discussion leads to emphasis on some facets of the

problem which are often ignored: the importance, for example, of racial and other differences between the populations of central cities and suburbs.

This work puts in new perspective the old idea that there ought to be a single general local government for each metropolitan area—an idea which, however disguised or compromised, is usually favored by those who write about problems of metropolitan government. This scheme, if achievable, would not be the unmixed blessing that many people claim. But the more important point is that in most places it is not achievable in the foreseeable future. Despite the limitations which political reality imposes, this book shows that much can be done to make local government structure more responsive to the housing needs of the metropolitan populations, populations which now include most of the people in the country.



# PART ONE

## PROBLEMS





## Chapter 1

# THE STRUCTURE OF GOVERNMENT IN METROPOLITAN AREAS

Local governments in metropolitan areas are numerous and overlapping, and their jurisdictions do not correspond with the areas for which public services are required. The virtues and vices of such a system aside, the nature of the system can easily be made apparent.

### *Many Governments*

Eighty-four million persons—more than half the population of the United States—live in 168 metropolitan areas.<sup>1</sup> Altogether these areas are somewhat smaller than Texas, yet they are governed by more than 16,000 independent local bodies. None has a single, all-purpose local government for the whole

<sup>1</sup> Although the number of metropolitan areas has increased somewhat, it is convenient to use the data from the 1950 census. As defined by the census, a standard metropolitan area is a county or group of contiguous counties which contain at least one city of 50,000 inhabitants or more. In addition to the county or counties containing such a city, or cities, contiguous counties are included in a standard metropolitan area if they are essentially metropolitan in character and socially and economically integrated with the central city.

A detailed bibliography on metropolitan government is Government Affairs Foundation, *Metropolitan Communities: A Bibliography*, Public Administration Service, Chicago, 1956.

area. Twenty-three of the metropolitan areas extend across state lines and another twenty-eight extend up to a state line (see Figure 1). The number and types of local governments are shown in Table 1.

Some metropolitan areas have many more local governments than others. In fact, eleven areas, with about 45 per cent of the



Figure 1. Standard metropolitan areas, 1950.

total metropolitan-area population, have somewhat more than one-third of all the governments. If mere numbers of local governments were a significant indicator, the problem of structure would be worst in the cities listed in Table 2. Actually such totals mean relatively little. If schools happen to be organized on a district basis, for example, the number



(Source: Bureau of the Census.)

of "local governments" appears very impressive, although a large number of school districts does not necessarily indicate a serious problem of organization.

TABLE 1: Number of Local Governments in 168 Metropolitan Areas (1952)

Counties	256
Townships	2,328
Municipalities	3,164
Special districts	2,598
School districts	7,864
Total	16,210

Note: The data in this and Tables 2, 3, 4, and 6 are from U.S. Bureau of the Census, *Local Government in Metropolitan Areas*, Apr. 2, 1954. The category "special districts" is probably the only one requiring explanation. Most of these perform a single function, especially fire protection (18 per cent), drainage (18 per cent), soil conservation (16 per cent), public housing (7 per cent), and cemetery maintenance (7 per cent). Every state has some special districts, but six states (Illinois, California, New York, Missouri, Kansas, and Washington) have half the total.

TABLE 2: Number of Governments in Selected Metropolitan Areas

<i>Area</i>	<i>Governments</i>	<i>Area</i>	<i>Governments</i>
New York	1,071	Detroit	355
Chicago	960	Minneapolis	316
Philadelphia	702	Portland	314
Pittsburgh	616	Los Angeles	298
St. Louis	420	Madison	292
San Francisco	372		

If only municipal corporations are counted, the number of governments in the metropolitan areas is by no means so striking (Table 3). Nevertheless, the seventy-seven smallest areas have within them an average of ten municipalities. And in the five largest metropolitan areas there are no fewer than 748 municipalities, an average of 149 general-purpose governments per area.

TABLE 3: Number of Municipal Governments within Metropolitan Areas by Size of Largest City

<i>Size of largest city in each metropolitan area</i>	<i>Metro-politan areas</i>	<i>Number of municipalities</i>				
		<i>Over 50,000</i>	<i>25,000-50,000</i>	<i>1,000-25,000</i>	<i>Under 1,000</i>	<i>All</i>
Over 1,000,000	5	39	35	534	140	748
500,000 to 1,000,000	13	32	29	413	220	694
250,000 to 500,000	18	19	7	164	174	364
100,000 to 250,000	55	64	13	322	207	606
50,000 to 100,000	77	78	12	355	307	752
Total	168	232	96	1,788	1,048	3,164

County governments in metropolitan areas are relatively few. The eighteen largest areas (those with a central-city population in excess of 500,000) average 3.7 county governments. But only about one-quarter of the other metropolitan areas have more than one county government. More than 65 per cent of *all* areas have only one (in eleven cases there are none) county government (Table 4). This immediately suggests that the central counties might play a more important

TABLE 4: Number of Counties in Metropolitan Areas

<i>Number of counties</i>	<i>Metropolitan areas</i>
—	11
1	110
2	23
3	12
4	7
5	1 (San Francisco)
6	2 (Chicago and Wheeling)
7	1 (Philadelphia)
12	1 (New York)
Total	256
	168

TABLE 5: Estimates of Population Growth: Metropolitan Areas (in thousands)

	Population 1955 (civilian)			Increase 1950-55 (estimated) <sup>a</sup>			Increase 1955-75 (projected) <sup>b</sup>			Population 1975 (projected) <sup>c</sup>	
	Number	Per cent of total	Number	Per cent for area	Per cent of total	Number	Per cent for area	Number	Per cent of total	Number	Change in per cent of total from 1955
U.S.A.	161,461	100	7.9	11,827	100	56,000	34.8	218,000	100		
Standard metropolitan areas	95,304	59.0	13.7	11,508	97.4	54,544	56.8	150,000	69	+10	
Central cities in SMAs	51,023	31.6	3.8	1,888	16.0	8,960	17.5	60,000	28	-4	
"Urban" fringe	28,236	17.5	19.1	4,526	38.3	21,448	76.1	50,000	23	+5	
"Rural" fringe	16,045	9.9	46.5	5,094	43.1	24,136	150.0	40,000	18	+9	
Outside metropolitan areas	66,157	41.0	0.5	319	2.6	1,456	2.2	68,000	31	-10	
Urban	24,217	14.9	5.0	1,150	9.6	5,376	22.2	30,000	14	-1	
Rural	41,940	26.1	-1.9	-831	-7.0	-3,920	-9.4	38,000	17	-9	

<sup>a</sup> U.S. Census, Series P-20, no. 63.<sup>b</sup> "Population Trends in the U.S. Through 1975," Stanford Research Institute, August, 1955. Distribution assumed to be in the same proportion, by type of area, as for the 1950-1955 increase.<sup>c</sup> These figures include the same deduction for noncivilians made in census estimates of the 1955 distribution. The actual Stanford projection for 1975 is 220,794,000.Source: Catherine Bauer, "First Job: Control New City Sprawl," *Architectural Forum*, vol. 105, September, 1956, pp. 112-113.

role than they now do as units of general government in metropolitan areas, a point discussed in Chapter 9.

### *Patterns of Growth*

One fact is certain: in the future the metropolitan areas will be more numerous, larger, and have increased population densities. Accretions to the total population and migration from rural areas, especially from the South, will increase the number of persons living in metropolitan areas from 95 million (in 1955) to an estimated 150 million in 1975. Whereas slightly more than half of the nation's population lived in metropolitan areas in 1950, almost 70 per cent will live there in 1975 (Table 5).

The number of standard metropolitan areas will increase somewhat, but population growth will be greatest around the cities which are already the largest. In most of the metropolitan areas the central cities will grow more slowly than their hinterlands: at least 60 per cent of the increase will take place in the suburbs or in present incorporated areas.<sup>2</sup> As Figure 2 shows, this is a trend that is already established. Whereas the central cities in 1950 contained almost 60 per cent of the entire population of metropolitan areas (Table 6),

TABLE 6: Percentage Distribution of Population within Standard Metropolitan Areas, 1950

Central city		57.8
Metropolitan ring		42.2
Urban	28.6	
Suburbs and fringe	24.0	
Satellite urban	4.6	
Rural metropolitan	13.6	
		100.0

<sup>2</sup> For an analysis of the population redistribution within metropolitan areas between 1900 and 1950, see Amos Hawley, *The Changing Shape of Metropolitan America*, The Free Press, Glencoe, Ill., 1956.

they will contain 30 per cent or less by 1975. The metropolitan problem by that date, purely in terms of population, will be less a central city problem and more a problem of urban sprawl.

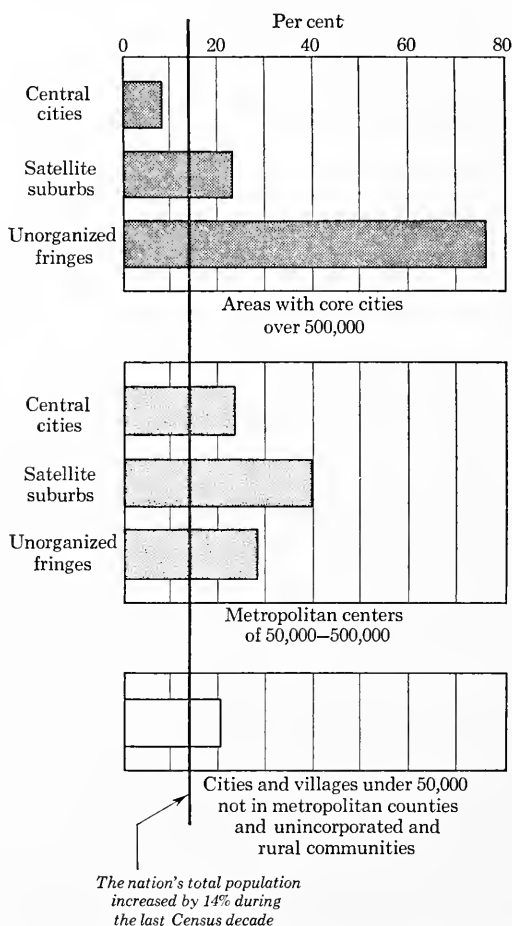


Figure 2. Differential population growth in metropolitan areas, 1940 to 1950. (Source: *Business Conditions*, November, 1954, a review by the Federal Reserve Bank of Chicago.)



The larger number of residents in metropolitan areas will cause some increase in the number of local governments as new municipal corporations come into existence on the rapidly growing urban-rural fringes. For the most part, however, existing local governments will serve more people. At present there are 1.9 local governments for every 10,000 persons in metropolitan areas (as against 15.2 local governments per 10,000 persons elsewhere).<sup>3</sup> Within a decade or two the average number of persons served per local government will be much larger.

Probable increases in real national income will bring about changes hardly less important than those caused by increases in birth rates and by migration. Assuming the continuation of present economic trends, higher per capita income will enable a larger proportion of the larger population to pay more for housing and related facilities. By 1970 or thereabouts (assuming that building costs do not skyrocket), it seems likely that a family of equivalent status to the skilled factory worker, who now spends about a quarter of his \$4,000 annual earnings for payments on a three-bedroom, one-bath house (construction cost, about \$12,000), will spend a somewhat smaller proportion of his greater earnings for a larger, better-equipped house, often on a larger lot. At that time there will be relatively few families (although the actual number may run to several million) who cannot afford what is now generally considered minimum adequate housing and related facilities. There may be a good many, however, who will prefer a lower level of housing in order to enjoy a higher level of consumption of other goods.

Even on the extreme assumption that in the next twenty years the average newcomer to the suburbs will require twice

<sup>3</sup> U.S. Bureau of the Census, *Local Governments in Metropolitan Areas*, Special Studies no. 6, Apr. 2, 1954, p. 3.

as much land as did newcomers to the suburbs in the decade just passed, the projected size of the metropolitan areas will not turn any of the great geographic regions of the country into a vast urban area. (Shortages of residential acreages may exist close to the largest central cities.) Nor is there any danger that the spread of the cities will seriously reduce the amount of cropland. In some localities shortages of land suitable for residential development or other resource limitations will restrain the spread of the suburbs. In most places, however, the costs and inconvenience of travel by automobile from places of residence to places of work and recreation will be the principal limitation.<sup>4</sup> Highway improvements and the probable introduction of a four-day week will greatly extend the travel range of the commuter and recreation seeker. People willing to drive one hour (35 miles) to work under present conditions may be willing to drive one and one-half hours (75 miles) on improved highways when they can look forward to a three-day weekend. But many suburbanites will not have to commute so far, for places of employment will also to some extent be suburbanized. Greater income, greater leisure, and improved transportation will cause many more persons to maintain cottages or other quarters for vacation and weekend use.

The increases in population and income and the tendency to spread out will greatly increase the number of automobiles in metropolitan areas. Even among the working class there will

<sup>4</sup> The twenty-year span of this project must be emphasized. During that period, the continued existence and growth of America's automobile culture can probably be safely predicted. Beyond it, however, other modes of individual and mass transportation, based upon newer technologies, will almost certainly be developed. And predictions upon the shape and organization of urban masses, based upon automobile transport, thus cannot be confidently made for the longer period. The discussion also assumes no widespread redistribution of population as a defense against, or consequence of, hydrogen warfare.

be a large proportion of two-car families. Air pollution from the oxidation and evaporation of gasoline and other hydrocarbon fuels will become a critical problem at certain times of the year in almost all metropolitan areas; smog, as well as sheer traffic congestion, may require limitation of the number of automobiles.

The American's affinity for his automobile, as Richard L. Meier has remarked, will largely determine the manner in which urbanization spreads.<sup>5</sup> Already arms of low-density development are stretching out along the toll roads and first-class highways. Within the next two or three decades the extended arms of many metropolitan areas will have joined, as those of New York and Philadelphia have joined already. The ribbons formed by these connections will be from 300 to 900 miles long. They will vary in width from twenty to thirty miles, where there is a major city, to only a block or two on either side of the highway. North of the Ohio River, Meier believes, the ribbons will form a weblike pattern whose outline is already fixed by highways and railroads. The interstices of the web are sparsely settled at present. In the future, migration will tend to be *away* from these open spaces and toward the metropolitan ribbons. The interstices of the web, therefore, will contain even less settlement than at present. Where they cannot profitably be farmed, the interstices will go back to brush and forest. In the South and West, there will be markings of the same weblike pattern, but here the ribbons will often be interrupted by mountains and by insufficient population density to support large cities. To the extent that populations string themselves along highways, metropolitan planning will be made more difficult.

<sup>5</sup> Richard L. Meier, "A Preview of American Urbanization Arising from Studies of Industrial Development and Social Change," *Planning* 1955, The American Society of Planning Officials, Chicago, 1956, pp. 15-23.

## *Political Problems and Social Conflict*

Typically the metropolitan area consists of a central city of 50,000 or more population and a "ring" area of 10 to 50 miles around it. The ring characteristically includes cities and villages which are oriented toward the central city, the place where specialized economic and cultural functions are performed on behalf of the area as a whole. In the interstices between the cities are unincorporated areas. Usually the whole of the area lies within the bounds of a single county, though multicounty and even multistate metropolitan areas exist.

Pyramiding of governmental units is characteristic in all areas. Typically there is a four-layer cake of local government: county, city, school district, and special-function unit. In many areas, however, the levels are more numerous. The people of Park Forest, a planned suburb near Chicago, pay taxes to the following governments:

Cook County

Will County

Cook County Forest Preserve District

Suburban Tuberculosis Sanitary District

Rich Township

Bloom Township

Bloom Township Sanitary District

Non-High School District 216

Non-High School District 213

Rich Township High 227

Elementary School District 163

South Cook County Mosquito Abatement District

Village of Park Forest

The independent suburban corporations, clustered around the central cities, exhibit a variety of social characteristics. There are fashionable communities inhabited by wealthy busi-

ness and professional people who want and can easily pay for a high level of governmental services. Suburbs of this kind are generally very proud of their schools and of the businesslike and impartial way in which their affairs are managed. (Other wealthy suburbs are proud of their "country" atmosphere and maintain exceedingly low levels of service.) There are middle-class suburbs in which, characteristically, the residents are anxious to have a high level of local governmental service but, somewhat inconsistently, are also anxious to keep taxes down, at least until their mortgages have been reduced. There are lower-middle-class suburbs of factory workers and others whose mortgages have been nicely calculated to absorb as much as possible of the average take-home pay. There are few Negroes outside the central cities, and most of these are in segregated communities or in the less desirable neighborhoods of industrialized fringe cities.

Settlements in unincorporated places, while sometimes meant from the first to become middle- or upper-class suburbs, consist predominantly of scattered houses or small "developments" for people who, because of income or cultural predisposition or both, choose a low level of services and low taxes. For example, a person who cannot find a place for rent in the central city and who cannot raise the necessary down payment for a home in an established suburb, may buy a cheap lot in an outlying area where there are no building restrictions. The new settler is usually served by two units of government, the county and the school district, but these at best rarely provide more than a bare minimum of welfare and medical assistance, roads, the protection of a sheriff, and a rural school. In the typical case the settler feels no great need for other services—fire protection, garbage collection, library, public health, building inspection, and so on. Indeed, from his standpoint it is a positive advantage that some of these—building

inspection, for example—do not exist. In some cases he is able to build a good deal of his house himself, dig his own well, and install a septic tank. As the influx of population continues, however, problems may arise. Water supply and sewage disposal are among the most difficult. As the income of the average resident increases there is a greater disposition to demand improvements like sidewalks and services like fire and police protection.

In most suburban areas there are "old" settlers as well as "new." A number of the old settlers are farmers and other rural-minded people. As a rule they view the suburbanization of the countryside with very mixed feelings. They have sentimental attachments to the community as it used to be. They are accustomed to running local affairs in their own way. Their needs and interests are very different from those of the newcomers. Paved streets, sewer lines, and garbage collection have never been needed before. Why should they be needed now? And why should the old settlers, whose children have mostly grown up and gone away from home, be expected to tax themselves to build new schools (fancy ones, perhaps, with swimming pools) for the young city people who are flooding in upon them? Around these and similar questions political conflict between old and new residents often arises. One circumstance, however, tends to dissolve such conflict: the most influential of the old families are likely to have land to sell to subdividers at high prices. The suburbanite may be a nuisance, but for people with land to sell he is a profitable one.

There are also "old" suburbanites in many places. These are people whose village or small city was very much to their liking when—suddenly—it was transformed by the influx of hundreds or thousands of newcomers. Like the old settler, the old suburbanite has much to be sad about: the newcomers'

houses are crackerboxes and they obstruct his view; he must tax himself to build schools for their children; and so on. And there are no compensations for him as there are for the old settlers: he does not have land to sell.

Traditionally, the people of a given suburb or satellite place have been largely of the same social and economic class, or at least the social composition of the place has been in an equilibrium which the residents found desirable or tolerable. The attributes of the social environment are of course inseparable from the attributes of a house within it. As the homeowner sees it, the desirability of the house both as a piece of property and as a place to live is vitally affected by the kind of people who live in the neighborhood. In the typical middle- or upper-class situation the suburb tries to protect itself against an influx of lower-class people. Areas adjoining the established suburb are annexed in order to prevent the growth of "undesirable" settlements. Zoning and other regulations are similarly used: by requiring that a new house be built on a lot of a certain size or conform to certain other standards, the community excludes people of lesser income. In the nature of the case those who wish to maintain social homogeneity usually insist that such regulations be made and administered by their own suburban municipalities rather than by a government which is able to take into account the needs of the whole population, including of course the would-be suburbanites. In a good many cases, nevertheless, the barriers have somehow been breached, and low-income people have moved into once fashionable suburbs in considerable numbers, thereby causing those who can afford it to move to more exclusive places.

There is, then, in the typical metropolitan area a congeries of local governments. They exercise different powers in different ways over populations separate in their place of residence but nevertheless dependent upon and interacting with

each other. Thus, if a central city chooses to enforce rigorously its building, housing, and sanitation regulations, it may cause movement of low-income workers out of the city. The suburbs, by erecting a wall of zoning ordinances against low-income groups, may force them into unincorporated areas. There they may create problems which are not solvable by their own action or inaction, and which indeed no government is presently constituted to meet.

### *Suburban Blight*

In some parts of every metropolitan area growth from the central city has created unsightly and congested neighborhoods and, in some cases, sanitation hazards. Coleman Woodbury has remarked that the defects of recent *suburban* housing fall largely into three classes: (1) poor location, in which he includes both the "planless extension of urban building on and on into the countryside with little or inadequate attention to community facilities and services, topography, future transit and transport problems" and the haphazard scatteration of individual houses or small groups of houses whenever pieces of land can be bought quickly and cheaply; (2) inadequate size, as evidenced by the fact that a sample study in fifteen major metropolitan areas showed that 65 per cent of the new single-family houses in 1950-51 had fewer than the 1,150 feet of floor space, which the Committee on the Hygiene of Housing of the American Public Health Association regarded as a reasonable minimum for a family of four; and (3) inadequate facilities, particularly for water supply and waste disposal, as illustrated by the fact that in 1949 as many as 95 per cent of new houses in some areas had individual waste disposal systems. (The areas with the highest proportions were Miami, 95 per cent; Seattle, 51 per cent; New York, 50 per cent; Boston, 49 per cent; and Atlanta, 44 per cent.)



The proportion of individual water-supply systems ran as high as 15 per cent in one area.<sup>6</sup>

Urban blight, and the dilapidated housing that goes with it, are therefore not confined to the central cities. Blight exists in varying stages of intensity in all parts of the metropolitan area, central city and suburbs alike. In all but the very newest of planned suburban developments, there are many dwellings which, the Bureau of the Census has stated, "should be torn down, extensively repaired, or rebuilt." According to Victor Jones:

In the metropolitan communities of Baltimore, Buffalo, Chicago, Dallas, Denver, Houston, Indianapolis, Kansas City, Louisville, Minneapolis-St. Paul, Pittsburgh, Portland (Oregon), St. Louis, San Antonio, San Francisco-Oakland, and Seattle, a larger proportion of the dwelling units outside the central city are dilapidated or lack running water than within the central city. In Buffalo, Houston, and Pittsburgh, the proportion outside is over twice as large as in the central city; in metropolitan Dallas, the proportion in the suburbs is over three-and-a-half times as large as in the central city; in Denver, it is almost four times as large; in Minneapolis-St. Paul, it is over five times as large; and in Portland (Oregon) over six times as large.<sup>7</sup>

Table 7 shows the extent of substandard dwelling units in selected suburban areas. The cities listed are not a representative sample of all cities, and the range from 6 per cent dilapidation in Pawtucket, Rhode Island, to 47.5 per cent in Aliquippa, Pennsylvania, probably does not reflect the extreme differences that exist. It is probable, for example, that in Montclair, New Jersey, and Lower Merion Township, Pennsylvania, fewer

<sup>6</sup> Coleman Woodbury, "Suburbanization and Suburbia," *American Journal of Public Health*, vol. 45, no. 1, January, 1955, pp. 6-7. The average size of new houses has increased since this article was written.

<sup>7</sup> Victor Jones, "Local Government Organization in Metropolitan Areas," in Coleman Woodbury (ed.), *The Future of Cities and Urban Redevelopment*, University of Chicago Press, Chicago, 1953, p. 510. Other data in the following paragraphs are also taken from this article.

than 6 per cent of the dwellings are dilapidated; on the other hand, dilapidation in the West Dallas suburbs probably exceeds a 50 per cent rate. And some small suburban developments, largely those in unincorporated areas, are 100 per cent substandard from the day of their construction.

### — *The Racial Schism*

One notable trend within the metropolitan areas is the increasing separation of central cities and suburbs on racial lines. "The central cities," Woodbury has written, "will become increasingly the place of residence of new arrivals in the metropolitan areas, of non-whites, lower-income workers, younger couples, and the elderly. The suburbs will become even more the residence of middle-income families and of those of the better paid workers, particularly those families in the middle stages of the family cycle."<sup>8</sup> This is true. In less polite language, many central cities are fast becoming lower-class, largely Negro, slums.<sup>9</sup>

The trend is most pronounced in the fourteen largest metropolitan areas, those with more than one million population. For several decades the Negro population of the central cities in these areas has been increasing much faster than the white. The most rapid growth came in the years of war and full employment between 1949 and 1950. While the total white population within these cities increased by only 4 per cent, the Negro population leaped upward 68 per cent. The highest central city gain for whites was 25 per cent in Los Angeles;

<sup>8</sup> Coleman Woodbury, *American Journal of Public Health*, vol. 45, no. 1, January, 1955, p. 9.

<sup>9</sup> Data in the following paragraphs are taken from Morton Grodzins, *The Metropolitan Area as a Racial Problem*, a report to the Special Studies Project, Rockefeller Brothers Fund, March, 1957. See Wesley C. Cafef and Howard J. Nelson, "Distribution of Negro Population in the United States," *Geographical Review*, vol. 46, January, 1956, pp. 82-97.

TABLE 7: Occupied Substandard Dwelling Units, 1950, in Certain Suburban Areas<sup>a</sup>

<i>Metropolitan area</i>	<i>Units</i>	<i>Percentage dilapidated</i>
New York-Northeastern New Jersey area		
Jersey City	14,637	28.3
Paterson, New Jersey	9,397	32.4
Harrison, New Jersey	808	32.3
West New York, New Jersey	399	14.3
Hoboken, New Jersey	4,847	16.6
Bayonne, New Jersey	1,887	28.7
Woodbridge Township, New Jersey	998	18.3
Yonkers, New York	5,609	23.4
Philadelphia area		
Camden, New Jersey	5,783	29.7
Detroit area		
Detroit, Michigan	46,655	42.5
River Rouge, Michigan	859	30.5
Providence area		
Providence, Rhode Island	27,687	12.5
Woonsocket, Rhode Island	7,876	11.0
Pawtucket, Rhode Island	10,047	6.0
Cincinnati area		
Newport, Kentucky	2,850	20.1
St. Louis area		
East St. Louis, Illinois	11,147	36.8
Granite City, Illinois	2,773	29.2
Pittsburgh area		
Aliquippa, Pennsylvania	1,483	47.5
McKeesport, Pennsylvania	5,049	27.6
Phoenix area		
Phoenix, Arizona	5,801	42.3
Vicinity	8,492	34.9
Sacramento area		
Sacramento, California	3,995	32.2
Urban fringe	4,620	39.2
Stockton area		
Urban fringe	3,819	44.1
Bakersfield (California)		
Urban fringe	4,211	44.3

<sup>a</sup> U.S. Bureau of the Census, special tabulations for local housing authorities, ser. HC-6.

Source: Victor Jones, *op. cit.*, p. 513.

there the Negro increase was 116 per cent. (For absolute growth, see Figure 3.) Four central-city areas (Los Angeles, Buffalo, Detroit, and San Francisco-Oakland) at least doubled their Negro populations during the ten-year period; and eight had increases of 60 per cent or more (Boston, Chicago, Cleveland, and New York in addition to those already named). Pittsburgh had the *lowest* rate of Negro increase with 32.9 per cent, as compared with the *highest* white gain of 25.1 per cent in Los Angeles. Five central cities *lost* white population during the decade; their average gain in nonwhite population was 54 per cent.

Despite these spectacular percentage increases, Negroes in 1950 constituted only a minor fraction of the total population in most of the central cities of the fourteen largest metropolitan areas. Washington, D.C., with nonwhites totaling 35.4 per cent of total population, and Baltimore (23.8 per cent) had the largest group of nonwhites in proportion to total population. In addition to these, only three other cities had Negro populations in excess of 15 per cent (Detroit, Philadelphia, and St. Louis). Minneapolis-St. Paul, Boston, and New York had less than 10 per cent.

Suburbs in these largest metropolitan areas exhibit quite different population trends. Negroes made up only 4 per cent of their population in 1940 and less than 5 per cent in 1950. (In the central cities, the total increase for Negroes was from 9 to more than 13 per cent.) In only one of the suburban areas, that of Baltimore, did nonwhites constitute more than 10 per cent of the suburban population in 1950. In eight of the fourteen suburban areas, nonwhites constituted 5 per cent or less of the respective suburban populations. Nonwhites made up a larger proportion of central-city population than of suburban population without exception. In most cities, the proportion of nonwhites was two or three times greater than

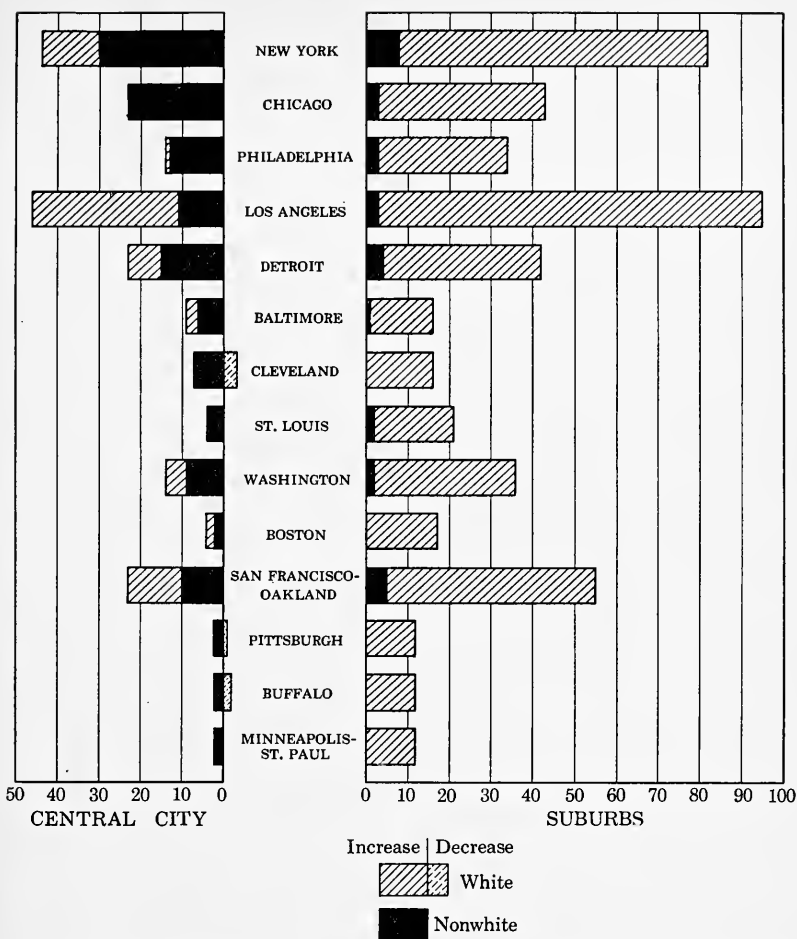


Figure 3. White and nonwhite population growth in major standard metropolitan areas, 1940 to 1950. Each unit represents 10,000 people. (Source: Bureau of the Census.)

in suburbs. Moreover, the "suburban" increases of nonwhites were increases not to suburbs themselves, but rather to smaller industrial towns within the metropolitan rings outside the central cities. In the true suburbs, nonwhite movements were almost exclusively to segregated nonwhite communities.

Data on population movements since 1950, though fragmentary, show a continuation of the twin trends of white exodus from central cities and Negro increases, both absolute and in proportion to total population, within those cities. Of the principal cities, official data are available for Los Angeles and New York. Between April, 1950, and February, 1956, Los Angeles registered a gain of more than 45 per cent in non-white population as compared with a 10 per cent gain in white population. The total nonwhite group in the central city has grown from 6.5 per cent of the total in 1940 to 10.7 per cent in 1950, to 13.9 per cent in 1956. In New York nonwhites increased by 41 per cent between 1950 and 1957, while the white population decreased by 6 per cent. Nonwhites in 1957 made up 13 per cent of New York's population as compared with 6 per cent in 1940 and 10 per cent in 1950.<sup>10</sup> A careful unofficial estimate by Otis and Beverly Duncan reveals that Chicago's Negro population reached 19 per cent of the total in 1956, compared to 8.2 per cent in 1940, and 13.6 per cent in 1950.<sup>11</sup> Negroes are close to, or may already have, an absolute majority in Washington, D.C.

<sup>10</sup> Data are from U.S. Bureau of the Census, *Current Population Reports*, Special Census, ser. P-28, nos. 927 and 1055.

<sup>11</sup> Otis and Beverly Duncan, *Chicago's Negro Population*, a report published jointly by the Chicago Community Inventory and the University of Chicago, University of Chicago Press, Chicago, 1957, p. 25. The Duncans' figure for 1956 supersedes an estimate made in 1955 by Donald Bogue and illustrates the difficulties of making projections. Bogue, a careful demographer, estimated that Chicago's Negro population would reach between 19 and 24 per cent of the total by 1965 (*An Estimate of Metropolitan Chicago's Future Population: 1955 to 1965*, a report published jointly by the

It is highly probable that within thirty years Negroes will constitute from 30 to more than 50 per cent of the population in at least ten of the fourteen largest central cities. Where Negroes do not muster absolute majorities, they will nevertheless be the most numerous identifiable (and self-identified) group. On the other hand, it is highly improbable that Negroes will anywhere constitute a sizable proportion of suburban population. There will be large Negro concentrations in the industrial cities outside the central cities, and all nonwhite suburban communities will increase in number. But the general picture is clear: large Negro concentrations, in some cases, majorities, in the largest central cities; large white majorities, with segregated Negro enclaves, in the areas outside.

The smaller metropolitan areas have not experienced the Negro-white population schism to the same extent as the larger areas. Generally speaking, there are fewer Negroes and less severe segregation patterns in the smaller areas. Nevertheless, in many of the less populated metropolitan areas, as well as in the largest ones, the urban-suburban racial distribution is both a cause and a result of profound difficulties in providing housing for large groups. The racial bifurcation is the result of drastic limitations on the Negro's access to the housing market, especially in the suburbs. It is a cause of overcrowding of central-city neighborhoods, of the rapid overdevelopment of suburban sites, and of many other diseconomies and abnormalities in the development of housing and housing amenities. These facts aside, the racial distribution also markedly affects the political feasibility (and in the eyes of many citizens, the desirability) of governmental structural changes.

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Chicago Community Inventory, University of Chicago, and Scripps Foundation, Miami University); the Duncans' closer look revealed that the 19 per cent figure had been reached by 1956.

## Chapter 2

# THE LOGIC OF METROPOLITAN REORGANIZATION

In much of the discussion of metropolitan reorganization it is difficult to tell precisely what the nature of the problem really is. Frequently it is not clear on what grounds reorganization is thought necessary. Usually no convincing reasons are given for fixing the bounds of the metropolitan area in one way rather than in another. And there is seldom much critical examination of the assumptions, arguments, and conclusions with respect to various schemes for reorganization. This chapter attempts to clarify some of these matters.

Often the assumption is implicit, if not explicit, that it must be extremely wasteful to have many—perhaps several hundred—independent governing bodies within a single metropolitan area. Recently, for example, an insurance company president told a national conference on metropolitan problems:

The businessman finds himself in a crazy quilt of communities of all sizes, shapes and systems. These are growing without planning—without reasonable relationship one to the other. These illogical governmental boundaries in many respects are like tariff walls, and the effect has been to increase immeasurably the cost of doing business.



Such a wonderland of waste, paid for by tax dollars, is offensive to the tax-paying businessman.<sup>1</sup>

It is not likely that the speaker considers the insurance business a "wonderland of waste" because it is carried on by hundreds of companies of all sizes, operating within boundaries which are, from any general standpoint, illogical. If such a charge were made against the insurance business, he would be quick to point out the advantages which arise from the specialization of certain companies in one or another type of highly technical business, the encouragement to enterprise and risk-taking that results from the independent operation of small companies, and the gain to the consumer from being able to choose from a wide variety of offerings. He might even add that the lack of cooperation within the insurance business is not as great as it may appear to the outsider: there are many informal devices—trade associations, for example—through which the companies regulate their relations when it is in their mutual interest to do so.

Not uncommonly, of course, genuine savings may be made by consolidation of enterprises, whether they be local governments or insurance companies, or by formal arrangements to bring about greater coordination. And it is certainly true that wasteful governments can proliferate in a way denied to insurance companies. Many factors may perpetuate an ineffective business; yet a business does have a balance sheet as a relatively harsh criterion of effectiveness. No similar yardstick exists for governments. Furthermore, large organizations—in both industry and government—may make possible through

<sup>1</sup> Powell B. McHaney, President, General American Life Insurance Company, speaking before the National Conference on Metropolitan Problems, East Lansing, Michigan, Apr. 30, 1956. Mr. McHaney's address appears in the conference proceedings published by the Government Affairs Foundation, Washington, 1957.

economies of scale new functions (including research) that would otherwise be impossible. In industry, consolidations also diffuse risk-bearing; the analogous consideration in governmental consolidation is the widening of the tax base, which frees the local community from dependence upon the decision of the few owners of industrial property who, by controlling a large tax source, may thereby control the community itself.

Despite these qualifications, the simple number of government units in a given locality, or their lack of uniformity, simplicity, and symmetry, is at best only a rough indicator of the need for reorganization.

Sometimes the necessary distinction is not made between "problems which exist in metropolitan areas" and "problems which exist by virtue of the inadequacies of governmental structures in the metropolitan areas." Recently, for example, the Conference on Metropolitan Area Problems sponsored by the governors of Massachusetts, Connecticut, New York, New Jersey, and Pennsylvania and the mayor of New York City listed a number of "problems confronted by the metropolitan areas." Along with recommendations on mass transit, air pollution, waste disposal, and water pollution was the following: "It is essential that some playgrounds and other facilities be located within easy reach of the mother with the baby-carriage and the child on roller-skates."<sup>2</sup> Lack of playgrounds within easy reach of mothers and children may indeed be a problem in metropolitan areas; it is not, however, a problem which requires for its solution any reorganization of governments.

Some writers have sought to find the optimum scale for the organization of each public function in the nature of its technology and to infer from this an optimum size for the city government as a whole. Aside from the fact that technology

<sup>2</sup> *The New York Times*, Sept. 24, 1957, p. 29.

is always changing, the main difficulty of this approach is that it does not take into account the nonmonetary advantages and disadvantages which are associated with a given scale of organization. Suppose, for example, that without any loss of services a suburb could reduce its tax rate by \$1 per \$100 of assessed valuation by becoming part of the central city. Presumably this would be a measure of the economies of scale that would result from consolidation. The suburbanites, however, might judge that the satisfaction of remaining apart from the city and controlling their own affairs in their own way was worth all its cost and more. If they made this judgment, consolidation would represent less rather than more efficiency, for in judging efficiency *all* valued outputs, not merely those measured in the market, must be taken into account.

The discussion of these matters by some advocates of metropolitan consolidation seems to assume that the suburbanite is wrong in valuing nonmonetary satisfactions as highly as he often does; that the pleasure of being identified with an autonomous suburb is illusory or socially irresponsible. Actually, the concern of the ordinary citizen for social status, and for housing and community surroundings as a symbol of status, is one of the driving forces of American life. If the upward mobile masses—the “new immigrants” in Samuel Lubell’s term—want to buy the status advantages that go with residence in a town which has a name and an identity apart from the central city, and if they are willing to pay the added costs that this entails, it is hard to see why they should be discouraged. From a policy standpoint, only two questions are relevant: are they actually bearing all of the extra costs and are they aware of them? If the answer to these questions is “yes,” there is little basis for public concern.

Even if intangibles like status are left out of account, and the calculation is made solely in terms of quantities which can

be measured and priced, it is not clear that widespread consolidation of local governments would yield much of a saving. Posed in this oversimplified way, the problem of discovering the optimum scale of a single function, to say nothing of all functions together, would still be very difficult. Police protection may best be organized on one scale, sewage disposal on another, and recreation on still another. What, then, is the optimum size for a city which performs all three functions and many more besides?

Increases in the volume of work, in government as in industry, decrease the unit cost of work output. But in both cases there is a point of diminishing returns. The situation for government is complicated because the larger the population aggregate, the more extensive and more expensive the services required and demanded. Per capita expenditures for governmental services in cities generally increase with size of city. If costs, not services, were the criterion, this fact would argue for smaller, not larger, governments. *Per capita expenditures*, of course, must be distinguished from *costs of a given service at a given standard*. And here there seems to be little doubt that the latter grow less expensive with increases in size of city, up to a population of about 50,000. Costs per unit of service do not seem to decrease much in still larger cities.<sup>3</sup>

Moreover, even if it could be proved that larger work units lead to lower costs, it would not follow that consolidation of local governments would be desirable from an economic

<sup>3</sup> See William Anderson, *The Units of Government in the United States*, Public Administration Service, Chicago, 1942; also the literature cited in *State-Local Relations*, Report of the Committee on State-Local Relations, The Council of State Governments, Chicago, 1946, pp. 183ff. But the optimum scale of governmental functions—and therefore the optimum scale of municipal organization—has never been established. It could be done only if some very important simplifying assumptions were made and then only by a major research effort.

standpoint: the city which is too small to provide certain services efficiently may arrange to buy them from a nearby city which can produce them efficiently. In other words, absorption of one government by another is not the only way of securing adequate scale.

It is often assumed that if sentimental and political obstacles ("irrationalities," they are often called) did not stand in the way, it would be possible to delineate a metropolitan area which would form the "logical" basis for an all-purpose local governmental jurisdiction.

Sometimes it is taken for granted that political boundaries ought to correspond to some features of the natural environment.<sup>4</sup> This thinking has led many geographers to delineate "natural regions" (e.g., drainage basins) and to recommend them as the "logical" units on which to base political and administrative jurisdictions. In the case of the metropolitan area, however, the physical feature usually fixed upon is not "natural" at all: it is the perimeter of contiguous urban settlement. This standard is usually highly ambiguous in application, since one hardly ever finds a sharp, sudden break in the continuity of settlement; usually the urban and rural places

<sup>4</sup> An early theorist on this topic was H. G. Wells. In "A Paper on Administrative Areas Read before the Fabian Society" (reprinted as an appendix to *Mankind in the Making*, Charles Scribner's Sons, New York, 1904, pp. 389-390) he spoke of the "new urban region." "I would suggest that watersheds make excellent boundaries. Let me remind you that railways, tramways, drain-pipes, water-pipes, and high-roads have this in common—they will not climb over a watershed if they can possibly avoid doing so, and that population and schools and poor tend always to distribute themselves in accordance with these other things. You get the minimum of possible overlap—such overlap as the spreading out of the great midland city to meet London must some day cause—in this way. I would suggest that for the regulation of sanitation, education, communications, industrial control, and poor relief, and for the taxation for these purposes, this area should be one, governed by one body, elected by local constituencies that would make its activities independent of imperial politics."

run together on the fringes of the cities in such a way that even a rather broad line must be arbitrary. One might, by taking one view of contiguity, regard the area from Portland, Maine, to Richmond, Virginia, as a single metropolitan area, although surely no governmental problem requires this particular jurisdiction for its solution.

If it were possible to delineate clear-cut population areas, it would not necessarily follow that these would be appropriate bases for local governmental jurisdictions. A large population occupying a single contiguous area might very well comprise two or more virtually distinct economic, social, or political communities. The difficulties in defining a "community" are as great as those in defining a "natural population block,"<sup>5</sup> and a single "community," even if defined, would not necessarily provide an appropriate base on which to organize all, or even any, local governmental services. If the community were large enough for one function (according to criteria of economy), it might be too large—or not large enough—for others.

It is often argued that as a matter of justice the level of services—education, police, fire, public health, and so on—

<sup>5</sup> The notion of "community" as the basis of local government jurisdiction is itself full of ambiguities. Some geographers suppose that the trade area has some claim to be taken as the "logical" basis of political and administrative jurisdictions. In his book on *Human Ecology* (Ronald Press, New York, 1950), Amos Hawley defines the community as "...that area, the resident population of which is interrelated and integrated with reference to its daily requirements, whether contacts be direct or indirect." On the basis of this definition, it is hard to tell whether the people of the New York metropolitan area are any more or less a community than are the people of the whole United States. But, apart from this lack of operational value, there is no special reason to believe that integration with regard to daily needs should be the basis of political and administrative jurisdictions.

For a recent discussion by a sociologist of the problem of defining the metropolitan community, see Albert J. Reiss, Jr., "The Community and the Corporate Area," *University of Pennsylvania Law Review*, vol. 105, February, 1957, pp. 443-463.

should be equal throughout the metropolitan area, or at least that uniformity of service levels cannot be attained unless there is an authority with jurisdiction over the whole area.

There are, obviously, certain minimum standards—especially those connected with health and education—below which it is intolerable that any community should fall. If these minima are met, there is no good reason to demand that all service levels be everywhere precisely, or even approximately, the same. Moreover, even if uniformity is desired, it is hard to see why it should be uniformity within the metropolitan area rather than within some larger area. If, for example, uniformity is desirable within the New York–New Jersey area, why is it not also desirable within the Richmond–Boston area, of which the former is a part? And if it is desirable within the Richmond–Boston area, why not throughout the United States? The argument leads to the conclusion that standards of local service should be defined and enforced for the whole country by the Federal government.

Provided minimum standards are everywhere met, there is much to be said for encouraging differentials in service levels. Many people do not wish to buy more of the services supplied by local government than absolutely necessary. Some are able to enjoy the satisfactions of homeownership because they are willing to forego—and because the market allows them to forego—other satisfactions, including those which would come from higher levels of local governmental service. Certainly freedom to make choices of this kind should be encouraged, not discouraged.

Apart from this, differentials in service levels may serve the useful function of discouraging settlement in places where it is not desirable. Herbert A. Simon has observed:

To the extent that the higher cost of service, or the poorer quality of service provided to such an area, acts as a deterrent to its de-

velopment until the more central portions of the city have been completely settled, differentials stemming from this particular cause must be considered beneficial—they are a penalty, so to speak, which reflect the higher cost of servicing the urban population when scattered over a large area, than when compactly distributed.<sup>6</sup>

Inequality of service levels does not constitute a problem of metropolitan area organization. Failure to maintain minimum service levels is a problem, although, as the later discussion will show, not one that requires drastic metropolitan reorganization.

The metropolitan-area problem is sometimes said to arise from the lack of an all-purpose (or at least multipurpose) government able to plan and carry on functions which are best conducted on an area-wide basis. When these functions are listed, they often include most of what local government does.<sup>7</sup>

<sup>6</sup> Herbert A. Simon, *Fiscal Aspects of Metropolitan Consolidation*, Bureau of Public Administration, University of California, Berkeley, 1943, p. 20.

<sup>7</sup> For example, in the Chicago region, according to F. T. Aschman, at least nine major services "present problems for study on an area-wide basis." These are transportation, water distribution, drainage and sewage disposal, garbage and refuse disposal, fire protection, recreational services, health and welfare services, law enforcement, and schools. ["Chicago Metropolitan Area Problems," in Leverett S. Lyon (ed.), *Governmental Problems in the Chicago Metropolitan Area*, University of Chicago Press, Chicago, 1957, pp. 50-51.]

In the San Francisco Bay Region, according to John C. Bollens, the important regional problems are transportation, sewage, and recreation. Others, which he says deserve "brief mention," are water supply, public health, and fire and police protection. (*The Problem of Government in the San Francisco Bay Region*, Bureau of Public Administration, University of California, Berkeley, 1948, pp. 33-53.)

Luther Gulick takes a more discriminating view of what constitutes a metropolitan problem. In the New York-New Jersey region, according to Gulick, the four important needed regional services are a unified water supply; transportation policy and structure; waste disposal and pollution control, both of water and of air; and development of the port as a world trade center. ("The Next Twenty-five Years in Government in the New



Housing is one of the very few matters which is not usually thought to require metropolitan administration.

The claim that a certain function should be administered on a metropolitan basis may rest on one or the other of two grounds: that it is more economical to perform it on an area-wide basis, or that there are important needs which cannot adequately be met except by area-wide organization.

The issue of economy has already been discussed (pages 30 to 34). The issue of adequacy must be distinguished from it. "Economical" action is action that minimizes waste; "adequate" action results in the attainment of purpose. Some functions can be performed on a less-than-metropolitan basis in an "economical" fashion (without waste), and others can be performed on this basis even though they are "uneconomical," i.e., involve waste. But the claim now under examination goes beyond the issue of economy. It holds that some governmental needs cannot be adequately fulfilled at all, whatever the cost or waste, on anything less than an entire metropolitan basis.

What are the needs that demand metropolitan organization to be "adequately" fulfilled?

What is a "need," as well as what is an "adequate" performance in meeting the need, is in the last analysis a matter

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York Metropolitan Region," *Metropolis in the Making*, Regional Plan Association, Inc., New York, 1955, p. 65.)

*Background for Action* (St. Louis Metropolitan Survey, 1957) lists six "weaknesses that stem from the complex governmental pattern of the St. Louis City-St. Louis County area." These are (1) disparity in number and extent of governmental services; (2) variation in ability of communities to finance essential services; (3) inadequacy of some services essential to the development of the area due to absence of single governmental jurisdiction (e.g., transit facilities and traffic control); (4) creation of sanitary problems in some communities by irresponsible action of others; (5) competition for tax resources that impedes land use planning; and (6) inequitable distribution of service costs.

of opinion. Air-pollution control, for example, is a need only as someone—a professional group or the whole public—defines it as one. And it is a need which requires area-wide action only if the definition is such that nothing less than area-wide action will meet it.

If the “needs” and levels of “adequacy” as defined by the professional groups are accepted at face value, a few functions seem generally to require metropolitan-wide organization in order to be performed adequately. Circulation control (the whole problem of transport within the area) probably does. Civil defense probably does. So does air-pollution control, particularly as it involves control of the automobile. (The need to control the moving automobile requires area-wide administration for each of these functions.) It is impossible to be sure about even these functions, however, since those who claim that they are metropolitan-area problems do not specify in a clear and unambiguous way what they mean by “adequate” performance.

It will be seen that definition itself can make any function one which can be “adequately” performed only on a metropolitan basis. Dogcatching, for example, could be done “adequately” only through a metropolitan-wide government if the following arguments were accepted: dogs are no respecters of municipal boundaries; the control of stray dogs is essential to the health and safety of urban populations; there must be quick and complete circulation of information regarding stray dogs throughout the metropolitan area; dogcatching services must be of the same quality throughout the area; dog pounds must be located so as to be within easy access of all population groups within the area; the need for dog control is so great and the professionalization of personnel so difficult that it would be dangerous to rely upon any cooperative dog-control arrangements among the separate local governments concerned;

and "Balkanization" of local government prevents leaders in dogcatching from operating within the central cities where their services are most needed.

Other functions may be defined so as to make area-wide jurisdiction requisite for their "adequate" performance. Land-use planning, tax assessment, recreation, police (here the analogy with dogcatching is particularly close) are often so defined. Whether or not such functions are actually administered on an area-wide basis is often a matter of political persuasion rather than of technology.

Like all who think about these matters, the authors of this study must fall back upon their own notions of what is "needed" and what is "adequate" fulfillment of needs. By their standards, some aspects of circulation, civil defense, and air-pollution control are almost everywhere metropolitan-area problems in the sense that they are needs which cannot adequately be met without area-wide organization.

To the extent that circulation, civil defense, and air pollution are being dealt with today, it is by the action of many governments, including the Federal. The Federal government plays a leading part in transportation. Although sluggish about fully recognizing the fact, it undoubtedly has the leading role in civilian defense. As the experience of Los Angeles indicates, air-pollution control will sooner or later get Federal action. The Federal government's position in all these fields does not relieve the metropolitan areas of their responsibility. (This is true even with respect to civilian defense, where the national military primacy must be complete.) Nevertheless, it is clear that the relatively few essentially area-wide problems tend also to be nationwide problems, or at least national urban ones. Their solution, therefore, demands not merely a higher degree of metropolitan integration, but also the most intimate linkage of metropolitan areas with other levels of government.

A good number of the so-called metropolitan-area organization problems turn out on examination to involve something less than the whole metropolitan area. Generally speaking, in the nonarid parts of the country there is enough water so that supplies can be organized on a less-than-metropolitan basis. (Where control is needed, it is generally on a larger-than-metropolitan basis.) If newer technologies are employed, waste disposal may be highly decentralized. With regard to most aspects of public health, recreation, police and fire protection, adequate performance (still distinguished from economical performance) does not require metropolitan-area organization. These are usually subarea problems and imply for their solution subarea governments.

What are area problems in some places are, of course, sub-area ones in others. If one looks at the differences among areas, one sees at once that the number and kind of problems requiring area-wide treatment vary from place to place, and that in general the number of such matters decreases as the size of the area increases. It is possible, for example, that Nashville, a metropolitan area of 300,000 population, ought to operate its hospitals on an area-wide basis, but it is hardly likely that the same type of operation will serve the New York-New Jersey area, which contains almost one-tenth of the population of the United States. Size aside, topographical or resource limitations will bring some areas, but not others, to area-wide programs. Water supply may be important in one place as an area-wide function; sewage disposal in another. But adequacy (and economy, too) in the performance of these same functions may be readily achievable in other areas on a less-than-metropolitan-area basis.

Most of the arguments for metropolitan government turn out to be, on inspection, something less than compelling, and

the total case for metropolitan integration of local governments is a shaky one.<sup>8</sup> This is not to say, however, that the governments of metropolitan areas as they exist today should not be altered. If they do not make a case for wholesale integration, the arguments examined in this chapter nevertheless indicate both points of weakness and perspectives for future action.

Not all functions need to be organized on a metropolitan basis to achieve economic scale; most functions, however, cannot be economically operated (leaving intangibles out of consideration for the moment) in very small jurisdictions. Ordinarily there will be waste unless jurisdictions of at least 50,000 population are achieved by cooperative arrangements or other means, including consolidation. Subarea arrangements (as distinguished from metropolitan-wide arrangements) are indicated on grounds of both economy and adequacy for some functions in almost every metropolitan area. Given the prevailing notions of "adequacy," a few functions probably need area-wide jurisdictions in most places. Finally, what constitutes a metropolitan-wide "need" is in the long run what the relevant publics decide. As they change their definitions of area-wide needs, what is appropriate governmental structure will also change.

<sup>8</sup> A careful inspection of the arguments *against* metropolitan integration would reveal that they, too, are not always persuasive.

## Chapter 3

# THE POLITICS OF METROPOLITAN REORGANIZATION

There is a striking disparity between the amount of research and discussion on problems of metropolitan organization and the amount of fundamental change that has been achieved. In the last thirty years there have been eighty-eight major surveys of metropolitan-area organization, but in only three cases was the survey followed by the adoption of its major recommendations. "City planners and political scientists," T. H. Reed, one of the leaders in the movement for metropolitan government, has remarked, "have poured out millions of words... on the same theme, but frankness requires me to say that so far we have accomplished little more than a world's record of words used in proportion to cures effected." This lack of accomplishment is indicative of underlying political complexities which are seldom appreciated fully by the proponents of plans for metropolitan consolidation and other forms of urban integration.<sup>1</sup>

<sup>1</sup> The following analysis (to page 48) is based upon a paper by Edward C. Banfield, "The Politics of Metropolitan Area Organization," *Midwest Journal of Political Science*, vol. 1, May, 1957, pp. 77-91.

## *Urban-Suburban Political Discord*

As pointed out above, there are marked differences in the social composition of the central cities as opposed to the suburban rings. The central cities tend to be populated by lower-income groups with large numbers of Catholics and Negroes. The suburban rings, although most of them contain industrial suburbs, are on the whole white, middle-class, and Protestant. As Table 8 shows, the suburbs tend to be heavily Republican and the central cities heavily Democratic.<sup>2</sup>

It has already been noted (Figure 2) that the suburban rings are growing much faster than the central cities. The time will soon come when the total suburban population in each metropolitan area will be larger than the population of the respective core city. Thus, assuming that the party identifications of the city dweller and the suburbanite do not change, the Republicans will soon have safe majorities in all metropolitan areas where there is a two-party system.<sup>3</sup> Before long,

<sup>2</sup> That President Eisenhower won a majority in some central cities in 1956 does not signify that other Republican candidates can do so. In fact, they did not in 1956, despite the advantage of running on the same ticket with the President.

<sup>3</sup> We speak here of areas in their entirety. If suburbs are classified by type, it becomes apparent that in some places migrations are increasing Democratic strength in the suburbs. For example, Levittown, Pennsylvania, broke the Grundy machine in Bucks County and elected several Democrats in recent years. It has often been remarked, nevertheless, that Democrats tend to change their political allegiance when they go to the suburbs. A *New York Times* story of May 31, 1956, p. 1, summarized the views of some suburban politicians on the reasons for this change:

"One [reason] is a sense of property rights and a concern for tax rates that comes with the key to a suburban home and the mortgage. Another is a desire for social status and a feeling that it can be achieved by belonging to the 'right' social groups and parties. A third is the feeling that local conditions require a Republican enrollment if there is any hope of a consequent political career or political favors."

In new suburbs many converts to Republicanism may become disenchanted when schools go on three shifts, taxes rise, houses require repairs, and transit systems become overloaded.

at the present rate of change, they will have overwhelming majorities in many areas.

TABLE 8: Democratic Vote as a Percentage of Major Party Vote, Central City and Suburbs, 1954

New York City	65.9
Suburban counties:	
Rockland	40.7
Westchester	35.3
Nassau	36.1
Suffolk	30.9
Chicago	64.2
Cook County except Chicago	40.5
Philadelphia	57.7
Montgomery County	38.1
Detroit	66.9
Wayne County except Detroit	57.1
Pittsburgh	56.8
Allegheny County except Pittsburgh	54.3
St. Louis City	62.0
St. Louis County	45.0
San Francisco	49.3
Suburban counties:	
Marin	35.2
San Mateo	40.8
Cleveland	70.0
Cuyahoga County except Cleveland	51.4
Minneapolis	58.8
Hennepin County except Minneapolis	47.2
Buffalo	52.8
Erie County except Buffalo	36.9
Milwaukee City	59.8
Milwaukee County except Milwaukee City	45.5
Cincinnati	43.8
Hamilton County except Cincinnati	39.2

Source: Based on data from R. M. Scammon, *America Votes*, Government Affairs Institute, Washington, 1956. All votes are for governor or senator except those in St. Louis City and St. Louis County, which were for president in 1952.

However, the Democrats will retain the central cities. Those who leave the central cities for the suburbs will be replaced almost entirely by lower-class Southern whites, Negroes,



Mexicans, and Puerto Ricans. Barring unlikely developments, these "underdog" groups will remain heavily Democratic. Thus, although the Republicans can count on heavy pluralities in the metropolitan areas, the Democrats can count on control of the central cities.

These facts make clear one important and largely neglected reason why large-scale "one population, one government" schemes for metropolitan areas are so difficult to achieve. In a single government covering an entire metropolitan area, control will be held in most cases by the Republican non-central-city vote. Democrats of the central cities will not easily agree to put themselves in a minority. They will not readily allow power to be taken from jurisdictions which they can control and be given to jurisdictions which they cannot control. By the same token, the Republican suburbs will not be willing to replace their own easy dominance in numerous relatively small suburban jurisdictions with an uneasy control of an enlarged area having a vociferous and well-organized Democratic minority. The solidarity of scattered suburban voters may not always be preserved. What will happen, suburban leaders ask, if "our good police department" and "our good schools" are taken under control by the "unwholesome" or "crooked" central city politicians? <sup>4</sup>

<sup>4</sup> This, it should be emphasized, is the normal case; in some instances the same general logic leads to altogether different conclusions. In the New York metropolitan area, for example, the Republicans could not possibly add suburbs enough to overcome the Democratic majority in the central city. However, if they could separate Richmond and Queens from the rest of New York, they might control these at least. In fact, the Republican state chairman of New York has proposed splitting up New York City. L. Judson Morhouse, commenting upon a report by a Harriman-Wagner committee (the Bittenwieser committee), proposed a comprehensive study to determine the administrative, fiscal, and political feasibility of reconstituting the city government into several separate city governments, possibly on the basis of present borough lines (*The New York Times*, Dec. 4, 1956).

Although this political conflict between central city and suburban ring appears most clearly in the North as a struggle between the Democratic and Republican parties, it should not be supposed that it lies altogether or even mainly between the two parties or the politicians who have a special stake in them. The party conflict is important in itself, but it reflects deeper and more important differences—differences which arise in part from the contrasting racial and social composition of the city and the suburbs. A single government exercising jurisdiction over an entire metropolitan area would mean almost everywhere the transfer of power from the largely lower-class Negro and Catholic elements who live in central cities to the largely middle-class white and Protestant elements who live in the suburbs. Even in the nonpartisan cities of the North, these fundamental cleavages exist.

Nor do all of the important differences of interest between the central cities and the suburbs arise out of race and class. If overnight all of the people of the central cities were transformed into middle-class white Protestants, there would still be the basis for conflict between them and the suburbanites. It would still have to be decided, for example, whether thousands of central city residents should be relocated to build expressways to give suburbanites quicker access to the city, and how taxes should be levied to pay for such improvements. In St. Louis a metropolitan transit scheme recently failed of adoption because of fears that improved service for suburbanites would be paid for by the fares of central city residents. Such instances abound.<sup>5</sup>

The situation is not altogether different where the city is nonpartisan. The major parties are alive and watching for

<sup>5</sup> See, for example, Daniel R. Grant, "Urban and Suburban Nashville: A Case Study in Metropolitanism," *Journal of Politics*, vol. 17, February, 1955, pp. 93-95.

their chances even in nonpartisan cities. But even if they were not alive, the fundamental differences of interest and of status which separate the central city and the suburban populations would nevertheless be expressed at the polls and elsewhere. In nonpartisan Milwaukee, Mayor Frank P. Zeidler recently complained that influential suburbanites—leaders of industry, of business and real estate, and of the press; presidents of utilities; attorneys; and trained technical persons—“working through their suburban governments and especially through the county government and state legislature—can exercise an almost compulsory power on the city.” Through the process of functional consolidation, Mayor Zeidler said, “the city is being stripped of more and more of its desirable functions, but it is being left with its problems—especially the social problems.”<sup>6</sup>

### *Management of Conflict: the Short and Long Views*

There is a tendency in discussions of metropolitan organization to assume that political considerations, while not actually irrelevant, *ought* to be so. Metropolitan organization, some think, ought to be designed solely for cheap and effective administration, and whatever makes government more costly or uncertain in its operation is “illogical.”

This is too simple a view of the matter. Local governmental organization must serve not only for planning and administration, but also—and sometimes even more importantly—for the management of conflict, especially of conflict arising from the growing cleavages of class and race.<sup>7</sup> These needs may be to some extent incompatible. In the view of those most concerned,

<sup>6</sup> Frank P. Zeidler, *A Course of Action for the City of Milwaukee for 1956 and the Following Years*, multilith, undated, pp. 27-28.

<sup>7</sup> See Lawrence J. R. Herson, “The Lost World of Municipal Government,” *American Political Science Review*, vol. 51, no. 2, June, 1957, pp. 330-345.

the organization which would be best for the management of conflict may not be best for area-wide planning and administration. Area-wide planning and administration might even heighten conflict by raising questions which could only be settled by bitter struggle. How, for example, is a metropolitan government to decide whether Negroes are to be decanted from the overcrowded slums of the central city to the vacant lands of the suburban fringe?

The contrary is possible, of course, and in the long run perhaps more likely. Conflict may in some cases be exacerbated, rather than better managed, as a consequence of the political separation of central city and suburbs. <sup>aggravation</sup> This exacerbation may occur as race and class differences become increasingly coterminous with urban-suburban boundaries, especially in the larger metropolitan areas. The very visibility of Negro domination of central cities, for example, may make it more difficult to bring about urban-suburban cooperation. And even if it helps to avoid conflict at the local level, political separation may transfer it to other planes of government, especially state legislatures, where solutions may be all the more difficult to achieve.

Suburban leaders, who now avoid conflict by remaining separate from central cities, may persevere in this posture. But as Negro domination of central cities becomes greater, an opposite course of action will be pressed upon them. The suburbs have great cultural and economic stakes in the central cities. And, in one way or another, many activities of even dormitory suburbs are contingent upon satisfactory working relationships with the large cities. Negro central-city political domination may not make satisfactory relationships inherently more difficult to achieve, but it may create social and emotional barriers of the first importance. One way to prevent Negro domination of central cities will present itself to the

suburbanites: to annex suburbs, with their predominantly white populations, to the cities. (From their standpoint, this will be the annexation of the cities by the suburbs.) Racially motivated annexation has already occurred in some Southern cities as a means of denying urban Negroes the political power they would otherwise have.<sup>8</sup>

On grounds of administrative efficiency such annexations may be desirable. But they are hardly desirable when aimed at the political repression of the Negro. The larger point is that the Negro-white population schism, presently a political deterrent to urban structural integration, may in time promote that integration. What may now be difficult may in time be feasible, in both cases for reasons unrelated to efficiency.

These considerations suggest that conflict might be managed better if immediate steps were taken to join the lower-class cities to the middle- and upper-class suburbs. Luther Gulick has written:

Jefferson, writing to Diderot in 1788, thought that the geographic isolation of special interest groups was a dangerous thing for democracy in that it accentuates the strife. Might it not be that isolation of racial and income groups sharpens the conflict, rather than softens it? This is certainly true within political parties.

If Jersey City, or any other city, becomes more than three-fourths Negro, and elects mostly Negro officials and representatives, would this not create very serious political strains? ... Might it not be that the joining of constituencies to produce a more balanced total structure

<sup>8</sup> In Nashville, Tennessee, after the removal of the poll tax in 1951, Councilman Glenn Ragsdale successfully argued that an annexation was necessary to offset the growing Negro vote in his district. See Creed C. Black, *The Politics of Metropolitanism; Opposition to Annexation in Nashville, Tennessee* (unpublished master's thesis, Department of Political Science, University of Chicago, August, 1952), p. 40. The Alabama Senate on Aug. 23, 1957, approved a proposed constitutional amendment to divide Macon County, where Negroes outnumber whites 7 to 1, among five neighboring counties. The amendment will be submitted to the voters for ratification.

as between racial and income groups would in the end produce a better foundation for the management of conflict? . . . Perhaps the "precious" suburbs need to be tied in with the underprivileged in order to give us better balanced constituencies, better balanced leadership resources, and a keener recognition of social responsibility on the part of the economically favored.<sup>9</sup>

This is a strong argument in terms of what is desirable. It supports the analysis that in the long run the politics of separation will tend towards a politics of consolidation. But in the view of the political leaders of both central cities and suburbs, neither consideration has yet made a strong impact. Their perception of the situation may not be in accord with the facts, but it is largely controlling. Exclusiveness, separateness, and independence are still the dominant attitudes in most metropolitan areas.

### *State and National Politics*

In addition to the internal politics of the metropolitan areas, state and national political questions are also important to the issue of metropolitan reorganization. For example, state laws—in some cases, constitutional provisions—drastically impede consolidation, integration, or even collaboration by governmental units in metropolitan areas. The situation varies widely from state to state and even from area to area in a single state. Almost everywhere the difficulties that are internal to the metropolitan area are compounded by difficulties arising from state legal restrictions.

A further difficulty arises from the general underrepresentation of urban areas in state legislatures. In only two states, Wisconsin and Massachusetts, are the cities fairly represented in both houses of the legislature. In six states—Georgia, Florida, Delaware, Maryland, Connecticut, and Rhode Island—cities

<sup>9</sup> Personal communication to the authors.

are severely underrepresented in both houses, and in two states—New Jersey and California—they are severely underrepresented in one house.<sup>10</sup> (The four largest urban counties in California, for example, have 59 per cent of the state's population but only 10 per cent of the members of the Senate.) In practically all states, cities, by virtue of underrepresentation, are at the mercy of the combined votes of county and suburb.

It would be far easier to redress the rural-urban imbalance of representation in state legislatures if "urban interests" were in agreement. In fact, they are not. The suburbs, as we have seen, often make common cause with rural areas against central cities; and it would be far more accurate to speak of rural-suburban, rather than rural, domination of state legislatures. Even within the central cities, interests that want to place a check upon the city find it most convenient to do so through state law. For example, when in 1957 the Illinois legislature had before it a bill to place a tax limit on Chicago, the *Chicago Daily News* supported the limit. "It seems to us," the editors said, "more important to preserve it [the tax limit] than to get beguiled by the phrase 'home rule' into a position where our pocketbooks are too easily vulnerable to a council controlled by the city administration."<sup>11</sup>

It is not only newspaper editors and other spokesmen for the "big interests" of the central city who want to maintain the disproportionate rural power in the legislatures. Many conservative urban voters feel that they have more in common with "upstate" or "downstate" than with the metropolis. In 1957, for example, the voters of New York State rejected a proposal that would have opened the way for reapportionment; the proposal would not have been defeated had not a

<sup>10</sup> See Gordon E. Baker, *Rural Versus Urban Political Power*, Doubleday & Company, Inc., New York, 1955.

<sup>11</sup> May 20, 1957, p. 16.

very large number of New York City's residents voted against it. Of course those voters who deliberately choose to give their rural allies extra weight in the legislature are not really underrepresented at all; they are represented indirectly through their allies, and in that way they are actually overrepresented. It is the urban voter on the other side of the fence who is underrepresented.

Frequently, political leaders of the larger cities find allies far more readily in Washington than at the state capitals. (Urban populations are better represented in Congress and in the office of the Presidency than in state legislatures.) As Mayor Zeidler of Milwaukee has written, "There is . . . an intense struggle going on . . . between the central cities and the state governments. . . . The central cities now look to the Federal government as their protector and defender from the arbitrary or negligent attitude of the state governments."<sup>12</sup> The total political configuration is one in which many metropolitan problems are attacked, if not solved, by national government-local government arrangements rather than by state-local or interlocal ones. This has clearly been the case in most states with respect to public housing and urban-renewal programs. The result does not make for neat structural arrangements within the metropolitan areas. But the prospect, given the political conditions of the cities in the state legislatures, is for further development of Federal-local programs.

### *Prospects for Metropolitan Reorganization*

The analysis of political issues leads to the conclusion that in most places in the immediate future there is little possibility that general schemes of governmental consolidation will succeed. But the total situation is not without opportunities.

For one thing, the very perception of the political conflicts

<sup>12</sup> Personal communication to the authors.



that impede basic metropolitan reorganization may be one long step toward ameliorating them. The short route to failure is via ignorance.

Second, positive steps may in the future be taken to lessen the social and racial cleavage between central city and suburbs. The transformation of the central cities into lower-class, ethnic islands has deleterious consequences far beyond the issue of metropolitan reorganization. To the extent that trends in this direction are halted and reversed, to that extent will schemes of metropolitan integration be more likely to succeed on terms fair to all population groups.

Third, both the objective and the subjective bases of class distinction are rapidly narrowing. Most people in the United States consider themselves "middle class." And the nation as a whole is, in fact, moving rapidly in this direction as consumption standards are raised and equalized by continuously rising productivity and as middle-class habits of thought penetrate lower-class groups. Equalitarian doctrines, newly enforced by Supreme Court decisions, aid this movement. To the extent that the racial problem is a low-income problem, higher incomes of Negroes will mitigate it.

Fourth, political leaders—of central city and suburb alike—will discover that some problems are so intractable that they may be solved only by steps toward urban integration and consolidation. The nation has already seen urban politicians in some places become earnest advocates of the merit system, nonpartisanship, and other reforms. Instead of turning out to be political death, such reforms have generally gained support for the politicians who advocated them. Advocacy of some sort of metropolitan consolidation may become as desirable as advocacy of the merit system to the stock-in-trade of the politician who wishes to appeal to "independent" and "enlightened" voters.

Fifth, the political leaders of the states may take a more active interest in the metropolitan areas. This is likely both because the proportion of voters living in the metropolitan areas is increasing and because the state politicians are becoming more sensitive to "Federal encroachment"—which is largely the assumption by the Federal government of functions the states have been unable or unprepared to perform.

These considerations, among others, lead us to favor proposals that are something less than the "ideal" of complete metropolitan integration, an ideal which, as previously shown, can be criticized on other grounds than political infeasibility. The administrative choices are not between all or nothing, and some progress is far preferable to none at all.

## PART TWO

# IMPEDIMENTS

Governmental structure is often believed to impede improvement of the housing situation in metropolitan areas. A review of the literature on the subject and interviews in seven major metropolitan areas with more than forty well-informed persons—mayors, city attorneys, city planners, housing and redevelopment officials, builders and their trade spokesmen, and others—make it possible to identify the principal points at which governmental structure is alleged to have important undesirable effects upon the housing situation. In summary form, these alleged impediments are as follows:

1. Adequate metropolitan planning does not exist.
2. The effects of multiple zoning, subdivision, and building regulations impede the development of a satisfactory housing policy. Specifically:
  - a.* Outside the larger cities, building, zoning, and subdivision regulations are badly drawn and enforced. The housing situation would be improved if uniform standards prevailed throughout each metropolitan area.
  - b.* The political separation of central city and suburbs, and the consequent autonomous zoning by suburbs, increases the density of central-city populations, encourages the spread of blight and slums in the central city, and deprives the central-city populations of access to



These propositions will be discussed one by one. Problems as they appear to the eyes of city officials, civic leaders, builders, investors, and others especially concerned with housing will be taken as a starting point in the chapters that follow; we will then attempt to show in a larger policy context the full nature of the issues involved. The analysis is not intended to establish truth or falsity. Indeed, in most cases no simple conclusions are possible: what is a good thing from the standpoint of one set of consumers of housing (for example, middle-income whites) may be a bad thing from the standpoint of a different set (for example, low-income Negroes). Moreover, what may be good for the housing situation may be bad in more important respects; a particular measure, for example, may improve housing but at the cost of intolerable infringements of personal liberty.

Other issues, such as those relating to interest rates on mortgages or the alleged restrictive practices of certain labor unions, may be greater impediments to housing than the issues discussed here. As far as governmental structure is concerned, however, the propositions isolated in this section cover the most important problems of those most concerned with housing in metropolitan areas.



## Chapter 4

# THE LACK OF METROPOLITAN PLANNING

Housing specialists, both in and out of government, almost universally believe that metropolitan planning is needed to improve the housing situation. By metropolitan planning its advocates generally mean: anticipation of area-wide problems—especially those relating to land use, transportation, water supply, and sewage disposal—and the recommending of action to deal with them before they become acute; and coordination of action among governmental jurisdictions with respect to major functions so as to avoid conflict and secure the utmost return from resources.

### *The Case for Metropolitan Planning*

From the point of view of those concerned with housing, the case for metropolitan planning rests on four principal grounds:

1. Economies in public costs can be secured by contiguous settlement at a predictable rate in contrast to scattered, unpredictable, “haphazard” growth. Transportation facilities, utility lines, and schools can all be provided at less cost when the city grows in a compact form and at a controlled rate. In the absence of planning, a central city cannot know what

size main sewer lines to install because it cannot anticipate the demands that will arise from growth along its fringe. If the main lines are not large enough, the streets will have to be torn up to re-lay them. If they are larger than need be, useless expense will have been incurred. The situation is the same with the water system; booster pumps and storage facilities can be rationally planned only if the rate and location of population growth can be anticipated. Not knowing what to expect, city officials often do nothing; and acute overloading of existing facilities is characteristic of growing cities.

Because of the possible economies resulting from planned, rather than unplanned, development, utility companies are often in the forefront of the movement for metropolitan planning. Many suburbs, appalled at the expensive facilities which may be required by uncontrolled growth, also see an urgent need for planning.

Control of growth on the fringes of the city may be distinguished from comprehensive planning of a whole metropolitan area. What some officials of central cities want most is the former: control over their hinterlands. The ideal, from the standpoint of these officials, is probably the Stockholm plan. Stockholm controls a five-mile belt around its fringe. It can veto any changes in land use occurring within that belt, and it can annex from it at will, pushing the belt outwards as annexations take place.

2. Planning is expected to insure an adequate supply of "serviced land," i.e., land served by highways and water and sewage systems and thus ready for development. In many places builders complain that their operations are slowed by lack of suitable land. Planning is often viewed as a way of getting centrally directed extension of facilities and services so as to open up new areas for housing development.

3. Planning is expected to facilitate the execution of re-



development and public housing programs by local bodies within the metropolitan area. Some city officials complain that slum clearance in the central city is impossible for lack of relocation housing in the suburbs. Planning, they assume, will ease the relocation problem by viewing the housing situation in the metropolitan area as a single whole. To the extent that there exists mutuality of interests among local governments, planning will—in this view—make possible the orderly “phasing” (i.e., coordination in time) of the separate housing programs. Thus, for example, if there were metropolitan planning, one city might schedule its housing program so that relocation needs would arise only as they could be met by nearby cooperating suburbs.

4. Planning includes fact gathering and analysis on a metropolitan-area basis as a guide for private and public decisions. Here planning is conceived as a great advantage by private builders (and official agencies) who cannot secure the information they require for anticipation of future needs. This argument for planning puts less emphasis upon concerted action and more upon planning as a communication device. It holds that even independent action of many municipalities will be less costly and haphazard if, at least, there is a central clearing house of technical data on land-use patterns, water and sewage, transportation, and related services.

### *The Practice of Metropolitan Planning*

Twenty-two states authorize metropolitan-wide planning.<sup>1</sup> In practice, planning is variously understood. Any instance of it may involve one or more of three quite different approaches:

<sup>1</sup> Charles M. Haar, “Regionalism and Realism in Land-use Planning,” *University of Pennsylvania Law Review*, vol. 105, February, 1957, p. 516. See also V. B. Stanbery, “What Type Regional Planning for the Bay Area?” *Journal of the Institute of Planners*, Spring, 1952, pp. 63-67.

1. Creation of a comprehensive plan of land use intended to guide the future development of the region in respect to such matters as transportation and transit, water supply, sewage disposal and drainage, air-pollution control, and recreation. The New York Regional Plan, drawn up largely in the 1920s, is perhaps the best example of this approach.

2. *Ad hoc* research, plan making, and promotion in connection with a special project or projects. The Pittsburgh Regional Planning Association, a subsidiary and planning arm of the Allegheny Conference, exemplifies this approach. This unofficial agency has worked to solve a recurrent flooding problem, to recommend an improved system of roads, and to arrange additional off-street parking for industry. It has made no attempt to create a comprehensive plan of land use for the metropolitan area as a whole. Some public bodies, for example the Salt Lake County Planning Commission, also devote themselves largely to *ad hoc* research.

3. Technical assistance, especially with regard to zoning, subdivision control, and building regulation, for those communities of a metropolitan area which cannot afford to maintain their own technical staffs. The Chicago Regional Planning Association has confined itself largely to the formulation of zoning and subdivision standards for adoption by local communities and to the preparation of a suburban building code. Its only regional studies have been population surveys and the preparation of certain maps. The Association expressly excludes the City of Chicago from the sphere of its activity.

It is usually difficult for metropolitan planning bodies to devote themselves to comprehensive plans. They are generally under strong pressure from suburban officials to give assistance in zoning and subdivision control instead. Often they are expected to attempt much more than their budgets permit them to do well. For example, in 1951 a Cuyahoga County,

Ohio (Cleveland metropolitan area), planning commission with an appropriation of \$73,316 apportioned its funds as follows:

Administration (including public relations)	35 per cent
General and basic studies for the region	17 per cent
Special regional projects	25 per cent
Local planning services	23 per cent

The organization which has come nearest to making a comprehensive plan, the New York Regional Plan Association, was supported by a private foundation during its principal plan-making period. In some cities, however, comprehensive planning is being done under public auspices.

The Detroit Area Regional Planning Commission, for example, was established in 1947 to serve three counties and part of a fourth. The Commission is composed of twenty-three public officials and an equal number of citizen members, most of whom represent interest groups. The public members are engineers and planners, not elected officials.

The Commission, which has advisory powers only, makes use of two principal organizational devices. It has several advisory committees to deal with particular problems (water, drainage, and pollution, for example), and these in some cases have created subcommittees on an area basis. In addition, the Commission has divided the region into nineteen development areas, assembled land-use, economic, and population data for each area, and encouraged the formation of development-area councils composed of representatives of local government.

In 1956 the Commission reported that it had "devoted a major part of its time to the preparation of a development plan . . . [which] has been substantially accepted by the various local governments." The development plan is used as a guide for more detailed plans prepared by local governments.

For example, a committee of county supervisors used the larger plan when formulating a metropolitan sewage, water, and drainage scheme.

In Atlanta there are two metropolitan planning bodies. In 1952 the "Plan of Improvement for Atlanta and Fulton County" (an organizational rather than a program plan) went into effect. Under it, Atlanta annexed 82 square miles, there was a reallocation of functions between the city and county, and the county was largely excluded from performing municipal functions. Among the functions now performed by Atlanta on a county-wide basis are water supply, sewage disposal, parks and recreation administration, traffic engineering, and planning.

The other planning body, the Metropolitan Planning Commission, was established in 1947 "to make and from time to time . . . amend a master plan for orderly growth and development of the district [two counties]." The Commission has made a master plan for metropolitan Atlanta, including the functional elements of land use, parks, hospitals, central business district, and transportation, traffic, and transit. Its powers are advisory; plans are put into effect by local governments under their zoning and other powers. A local government may choose to adopt only part of a metropolitan plan, but, once adopted, that part can be amended only after having been referred to the Commission for approval.

In the Denver metropolitan area the Inter-County Regional Planning Commission was formed in 1955 by the joint action of four counties (one being Denver). With an annual budget of \$66,000, half raised locally by a 4-cent per capita contribution and the rest supplied by a Federal grant, the agency is operated by a group consisting of a commissioner and lay member (usually the president of a local planning body) from each member county plus three lay members at large. In addi-

tion, a 130-member advisory body drawn from the taxing districts of the member counties meets four times a year and serves as a liaison between local communities and the Commission.

The principal objective of the Denver planning group, according to its 1956 annual report, "is to coordinate the existing plans of local governmental units to the extent of developing a single complete plan of growth for the entire region." The plan focuses on the progressive development of the entire region. "Existing local plans can thereby be integrated into a functional regional growth pattern and future local plans can be developed in terms of sound regional development."

The status of the regional plan is purely advisory. The success of planning in the Denver area will depend upon the willingness of the participating counties and of the Federal government to continue financing the Commission, as well as upon the willingness of the local governments to carry the resulting plans into effect.

### *Advantages of Planning: Fact and Fiction*

Despite such promising examples as these, there is a limit to what may reasonably be expected from metropolitan planning. The idea of such planning assumes that it is possible to coordinate fully the making of important decisions regarding regional development with the result that each decision is made with due regard to every other decision and that all decisions together comprise a self-consistent system of decisions. In fact, however, even within any sizable city the power to make decisions of fundamental importance is too widely dispersed to permit a high level of coordination. Some of the most important matters are decided by consumers and other private persons (for example, an enterprising builder) or by public bodies (for example, Federal agencies) which are be-

yond the reach of the planning unit. Other important matters can hardly be planned at all: for example, population movements or changes in consumers' preferences. Many so-called plans are therefore really mere listings of anticipated actions by actors whose behavior is, and in the nature of the case must be, largely uncoordinated. "The plain fact is," Victor Jones has written, "that there are no adequate metropolitan plans." Neither, it should be added, are there any adequate *city* plans, and the difficulties that stand in the way of making and carrying out comprehensive city plans are compounded in making and carrying out comprehensive metropolitan ones.<sup>2</sup>

These considerations argue against a professional optimism that assumes that planning will accomplish everything. The antidote to this optimism, however, is not a rejection of planning. It is, rather, the understanding that, for all the unpredictable factors and all the uncontrolled actors, progress in community development (and the housing that goes with it) will be facilitated by marshaling facts, pooling expertise, and ensuring collaboration among those concerned. If planning is conceived in these terms, it cannot fail to be helpful.

There is, therefore, great value in the program of Federal grants for regional and metropolitan planning and for planning assistance to small communities. Under the Housing Act of 1954 (Section 701), the Urban Renewal Administration makes grants on a 50-50 matching basis to encourage urban planning by state and local bodies. As of September 30, 1957, URA had approved grants totaling \$3,957,350. Of this amount, more than \$1,500,000 had been allocated to state, metropolitan, and regional planning agencies for work in thirty-four metropolitan areas and urban regions of nineteen

<sup>2</sup> These difficulties are more fully discussed in Martin Meyerson and Edward C. Banfield, *Politics, Planning and the Public Interest*, The Free Press, Glencoe, Ill., 1955, pp. 273-275.

states; state agencies sponsored projects in six states; local bodies in the others. The remaining funds have gone to twenty-two state agencies to assist in planning for 509 smaller communities.<sup>3</sup>

Success in plan making should not be confused with success in plan implementation. Implementation of metropolitan planning depends not upon the action of a single government but upon the concerted action of a large number of governments. This concerted action is difficult to achieve even when a plan promises clear advantages to all and no disadvantages to any of the affected localities. But any plan normally places burdens on some for the sake of the larger gain of the whole. As long as there exists no mechanism through which the whole can coerce the parts, concerted action will be the exception rather than the rule.

It has proved extremely difficult, for example, to "phase" the activities of the housing agencies even within a single city. Public housing and redevelopment programs are in most places administered separately. Furthermore, neighborhood opposition within a city to relocation plans has impeded urban-renewal programs in many places. To expect coordination on

<sup>3</sup> URA release, undated (circa November 1, 1957). The metropolitan or regional planning agencies which have received grants are Little Rock, Arkansas; San Francisco, Fresno, Stanislaus, San Diego, and Sacramento, California; Denver, Colorado; Atlanta, Macon, and Savannah, Georgia; Springfield, Illinois; Baton Rouge, Louisiana; Portland, Maine; Detroit, Michigan; Cape May County, New Jersey; Cleveland, Columbus, and Springfield, Ohio; Tulsa, Oklahoma; Lebanon, Altoona, Harrisburg, Reading, Shenango Valley, and Fayette County, Pennsylvania; and Nashville, Tennessee. State agencies receiving assistance for metropolitan planning are in Connecticut, Kentucky, Maryland, Massachusetts, Oregon, and Rhode Island. The data above do not include demonstration grants (under Section 314 of the Housing Act of 1954) for slum and blight prevention and elimination; \$1,635,964 had been allocated under this program for twenty-two projects in sixteen states (including the District of Columbia and Puerto Rico) as of September 30, 1957.

an intercity basis when it cannot be achieved within the city is hardly reasonable. Planning, as such, may reveal needs for coordination; but, when independent governments are involved, there still remains a long step to coordinated action, especially when one municipality may be asked to sacrifice what it considers its best interests in favor of some larger metropolitan goal.

When people argue for metropolitan planning, they are frequently arguing in fact for a metropolitan government having powers—including coercive powers—to carry plans into effect. A Milwaukee official was asked what would be the advantage of metropolitan-area planning. He replied, "Why, right now West Milwaukee is blocking the rational extension of an expressway." The difficulty here was certainly not lack of planning (for there was no doubt where planners would route the expressway), but lack of a government able to cut across local jurisdictions.

The issue of consolidation or integration of local governments in a metropolitan area is so important a matter that it is reserved for extended discussion in a later chapter. Here it is necessary to stress the advantages of planning, even in the absence of any consolidated metropolitan government. These advantages include those previously mentioned: the pooling of knowledge and experience. The planning function also provides a center for information exchange, a factor of first importance in the concerting of action by legally separate governing bodies. (In Milwaukee, the city and county planning agencies meet jointly twice a year and their professional staffs meet monthly.) Inadequacies and anomalies in community planning, springing from community versus community disagreement, will still remain even when all groups are in possession of the full facts. But the grosser errors, resulting from one community's acting in ignorance of another com-



munity's program, will at least be prevented. And, as experience in New York, Atlanta, Detroit, Denver, and other places indicates, cooperative action on mutual problems is a positive achievement of planning. Though their record for comprehensive planning is in most cases unimpressive, the metropolitan planning agencies, both official and nonofficial, have made significant contributions in fostering area-wide special projects for such services as sewage disposal, water control, and transportation, in providing technical assistance and advice for both urban and suburban communities, and in concerting action by two or more communities.

### *The Hidden Costs of Planning*

A final word on planning is one of caution. Planning in some instances decreases the price of housing, but in others it increases it. When, for example, planning makes possible the residential use of a tract of land which would otherwise be unusable, the saving of land will presumably be reflected in lower prices to consumers. The importance of such savings from planning are not to be underestimated, but they may be offset, or partially offset, by certain costs which are attributable to it. The making of a good plan is expensive and, whether or not it is done by a public body, the cost ought (for accounting purposes at least) to be charged against the benefits which it creates. A plan may necessitate elimination or subordination of inconsistent land uses, and values which these uses represent—opportunities which are foregone because of the plan—must also be counted as costs against it; and the plan usually provides a higher level of amenity, but it does so in most cases by using more resources: e.g., more land to achieve lower density. The added investment may produce a very high rate of return in amenity; nevertheless, the result is increased costs. Sometimes the increases are hidden in taxes. The in-

creases exist, however, even though they are hidden, and the consumer who pays for planning will have less to spend for other things, including housing.

It may be that from the consumer's standpoint (or if not from his, from that of the public as a whole) the additional dollars are well spent: the amenity produced by planning may be preferred to all other things which the same expenditure would buy. In this case, the costs of planning are more than offset by its benefits, and a net gain has been created by the investment.

Some people, however, may not highly value the amenities produced by planning. The poor man may dislike urban sprawl, traffic congestion, and the odors of septic tanks as much as the rich man and yet be unwilling—or unable—to pay as much as the rich man, or indeed anything at all, to be rid of them. Or the poor man, perhaps reflecting different class standards, may take a positive pleasure in the clutter and disorder which offends the aesthetic sensibilities of his better-off neighbor. Thus an important objection may be made to heavy investment in public improvements brought about by high standards of city and metropolitan planning: they may be a luxury that the public should not be forced to support.

It is important here, as elsewhere, to preserve spheres of free choice for individuals and community groups. A *range* of housing and housing amenities should be available above minimum standards of health and decency. The status of planners is such that they currently have relatively little power to affect this range. Yet wider powers for planners are foreseeable and should be encouraged. This development ought not to be allowed to drive substantial population groups from the housing market.

## Chapter 5

# EFFECTS OF MULTIPLE ZONING, SUBDIVISION, AND BUILDING REGULATIONS

The multiplicity of general governments in metropolitan areas produces a multiplicity of regulations governing the construction and use of housing. A whole series of impediments to housing are alleged to follow. One generally held belief is that outside of the larger cities, building, zoning, and subdivision regulations are badly drawn and enforced. According to this view, the housing situation in a given metropolitan area would be substantially improved if uniform standards prevailed throughout that area.

Zoning is a way of controlling the use of land and buildings in the interest of the public. Many small cities exercise no such controls. Some have no zoning ordinance at all. Others have ordinances which are poorly drawn and seldom enforced. The situation with respect to building and subdivision regulation is not greatly different.

For example, in Allegheny County, Pennsylvania, 40 per cent of the 129 municipalities are without zoning ordinances, and these include cities which are expected to grow rapidly in the future. Of the municipalities having zoning ordinances,

only twenty-nine had full-time zoning officers. Similarly, only twenty-seven of the Allegheny County cities have subdivision control regulations. Some of these regulations include construction standards and some do not. Some require the developer to grade and pave streets, provide gutters, curbs, water mains, sanitary sewers, and storm-water inlets. Most of the regulations are in need of revision. Only half of the Allegheny cities have building codes, and many of these are obsolete. Only sixty-three cities have building inspectors, and few of these are full-time.<sup>1</sup>

On the basis of the data in hand, Allegheny County seems representative of most metropolitan areas. Even in the New York region 15 per cent of the municipalities were without zoning ordinances in 1956.<sup>2</sup> In most small cities where building, zoning, and subdivision regulations are attempted, there are complaints that the enforcement of the ordinances is lax or incompetent because it is done by part-time amateurs—"after-dinner zoning," it was called in one place. In unincorporated areas zoning and building regulations are virtually nonexistent.

The consequence is that outside of the central city the growth of the metropolitan area is "chaotic," "haphazard," "topsy-turvy," or "irrational." The use of these words sometimes means nothing more than that the one who uses them has a decided taste for symmetry, order, and regulation—that he likes a neatly arranged landscape and dislikes "urban sprawl," and is willing to pay (or to require that someone else pay) to indulge his preferences.

<sup>1</sup> *An Urban Home Rule Charter for Allegheny County*, Metropolitan Study Commission of Allegheny County, Pittsburgh, June 27, 1955, pp. 78-91.

<sup>2</sup> Regional Plan Association, *Zoning Advances*, bull. 86, New York, May, 1956.

## *The Need for Governmental Control*

There are, however, many more solidly based objections made to the kind of unregulated or poorly regulated development which characteristically occurs in the unincorporated areas and small cities of the metropolitan areas. Some of these have been noted in the discussion of metropolitan planning. Other objections include the following:

In the absence of regulation there is a mixture of land uses which is both unsightly and costly. Property values may be dramatically reduced by the introduction of an objectionable land use into an area which has not been zoned or by building which is substandard. Without some assurance that the character of a neighborhood will remain reasonably stable, some people will not make long-term investments. A prospective homeowner, for example, usually wants some guarantee that a gas station, body and fender works, or junk yard will not be located next door. Unless he has that guarantee, he is not likely to build.

In the absence of regulation the consumer may be sold a house or lot which is not worth his money. The theory here is that the local government ought to protect the consumer of housing against his own lack of information or bad judgment. Thus, for example, a swampy area ought to be zoned against residential use, and minimum standards of construction ought to be insisted upon by the community in the interest of the individual.

Unregulated subdivision may ruin the whole of a large, unused tract for other uses. Building a few houses in a certain place, for example, may render several hundred acres unsuitable for industrial use, and so reduce the potential tax base of the whole community. Zoning is a way of assuring the compatibility of land used.

Unplanned growth places burdens on the transportation system and is a cause of traffic congestion; subdivisions should be planned in relation to main roads and in such a manner that a large share of the movement is within rather than between communities.

The character of zoning, subdivision, and building regulation is improving rapidly in many metropolitan areas. Some central cities, in order to protect themselves against service demands that cannot be effectively met, are requiring as a condition to service that fringe areas carry on a competent program of regulation. Denver, for example, refuses water to those communities which engage in spot zoning or make frequent zoning variations. Even more elaborate controls are exercised by Grand Rapids, Michigan.

These official efforts have been strengthened by informal, collaborative action by professional groups. In Chicago, for example, a two-month institute was held in 1955 which brought together eighty suburban officials for four hours a week to see demonstrations and hear talks on community planning, zoning, building and housing codes, and blight elimination. The sponsoring organizations were the Chicago Metropolitan City Managers' Association, the Suburban Building Officials Conference, the Housing Authority of Cook County, and the Chicago Regional Planning Association.

Public resistance to regulation is decreasing because fringe residents see dangers in rapid growth which can be avoided only by regulation. Cook County, Illinois, for example, has recently established stringent regulations over septic tanks in unincorporated areas; and Lake County, which in 1954 voted down a proposed zoning ordinance, subsequently passed one. Some backers of such a zoning law, according to a Lake County planning official, were homeowners, irate over the overloading of schools, depreciation of property values, and

cases of health menace due to the heavy influx of house-trailer population.

This use of regulatory powers by counties represents a relatively widespread trend. The Metropolitan Study Commission for Allegheny County, for example, proposed that the county have regulatory authority over local subdivision regulation and building practices. Zoning, it said, should remain "basically" a local responsibility, but it should be preceded by the development of a comprehensive over-all plan. To make this program feasible, the Commission recommended creation of a county-wide planning body to provide a basis for local zoning. A development of county powers in this direction would go a long way to the establishment of needed minimum standards in building and zoning regulations.

Governmental units larger than counties are also aiding. New York State has a building code for new housing which cities can adopt by reference. Consideration is being given to the adoption of a state housing code for existing dwellings which will contain standards of occupancy, room size, and other amenities. And, as already noted, the Urban Renewal Administration has recently developed a program to encourage regional and metropolitan planning, a program which will emphasize the need for zoning. Various states, with their own funds added to those supplied by the URA, are offering technical assistance in zoning to small communities.

### *Uses and Abuses of Housing Controls*

Professional opinion generally favors building codes which define minimum standards on an area basis. "The casual observer," John Bollens remarks, "may feel that if fringe residents want to live in this type of [unregulated] environment the decision should rest with them." He adds, however, that uncontrolled settlement sooner or later has consequences

which are costly for the central city or adjoining areas, especially when health, fire, and police matters are concerned.<sup>3</sup> Codes, therefore, should be designed to prevent development of a kind which will entail heavy social costs. (Social costs are those borne, not by the one who incurs them, but by others. Thus an individual creates social costs if the house he builds creates a drainage problem for which his neighbors or the town must pay.)

No objection can properly be made to minimum standards designed to protect the health or safety of the community or to safeguard it against unreasonable social costs. However, the history of such regulation shows that so-called "minimum" standards frequently have little ascertainable relationship either to health or to social costs.<sup>4</sup> Generally such standards are far more demanding than the word "minimum" would suggest. As a rule, they reflect the interests, opinions, and biases of two groups: professional "experts" who think that the consumer ought to be forced by law, if necessary, to set aside other wants in favor of what the experts define as minimum goods and services; and property owners who use minimum standards as a device for maintaining or even raising property values, for excluding "undesirables" from a community, or for keeping tax rates down by discouraging settlement of people whose children would necessitate expansion of schools.

Housing specialists are particularly prone to argue that anything short of an adequate dwelling (adequate by their

<sup>3</sup> John C. Bollens, "Trends and Forecasts in Fringe Areas," *Public Management*, vol. 35, December, 1953, pp. 271-275.

<sup>4</sup> *Journal of Housing*, January, 1955. See also Charles M. Haar, "Zoning for Minimum Standards—The Wayne Township Case," *Harvard Law Review*, vol. 66, April, 1953, pp. 1055-1063. John Nolen and Frank Horack, "How Small a House?—Zoning for Minimum Space Requirements," *Harvard Law Review*, vol. 67, April, 1954, pp. 967-986. Charles M. Haar, "Wayne Township: Zoning for Whom?—In Brief Reply," *ibid.*, pp. 986-993.



middle-class standards, that is) is a menace to public health. Thus, for example, in Baltimore an expert recently testified that a dwelling without a private bath is "unfit for human habitation."<sup>5</sup> Some housing codes require that the exterior walls be painted or whitewashed. Requirements of this sort, coming from professional experts, would probably get little attention if they did not in general support the efforts of property owners who want to maintain or upgrade the value of their real estate and the social status of their neighborhood.

Much minimum-standards regulation with regard to new housing seems to have as its purpose the protection of the consumer against his own bad judgment or the strengthening of his bargaining position with developers. For example, the FHA has established standards requiring at least one tree on every lot, better grading, fertile topsoil, and better landscaping. Similarly, the Cook County (Illinois) Board has recently had under consideration a proposed ordinance requiring construction of sidewalks in all new subdivisions in unincorporated areas and calling for 36-foot-wide rather than 22-foot-wide streets. Presumably the reason for requiring a tree on every lot and a sidewalk in front of every house is the belief that they are, or should be, desired by all consumers; that economies can be had by having them installed by the developer; and that since the people who will live in the new development are incapable of concerting their action before the settlement is complete, the government should make it mandatory for the developer to meet the consumer's wants.

The trouble with this kind of regulation is obvious. There is the danger that in protecting the consumer against his own bad judgment the government will also protect him against his good judgment: perhaps, for example, he decides with

<sup>5</sup> For a summary of the provisions of housing codes, see U.S. Housing and Home Finance Agency, *Provisions of Housing Codes*, bull. 3, 1956.

full information that he is willing to incur the costs to him of building on swampy land. If he harms no one else, i.e., if he incurs no social costs, why should he be prevented? <sup>6</sup> There is also the danger that a majority may place unreasonable restrictions on the uses which a minority may make of its property.

Area-wide restrictions, not limited to actual minimum standards of health and safety, may mean that "undesirable" persons will be excluded from opportunities to live in the suburbs. In St. Louis, for example, several small Negro suburbs (including Wellston, Kinloch Park, and Meacham Park) exist only because there has been no metropolitan-area government and no effective administration of zoning and other such powers. These suburbs began as shack towns in the early 1930s. Recently, with the formation of a metropolitan sewer district, the possibility has arisen that they may obtain sewage connections. Federal urban-renewal aid may provide additional means for improvement. The Negro community of Robbins on the outskirts of Chicago is being largely rebuilt under the urban-renewal program. It would not have come into existence, how-

<sup>6</sup> One critic who read this report in manuscript wrote, "What kind of generalization is this? In the first place, very few questions re housing standards involve only a 'he'—nearly all housing code provisions apply to *family* quarters. Second, a civilized state maintains housing standards for the same reason it sets standards for security trading: the individual—as a matter of fact and not of glib generality—can't protect himself. Third, the assumption here always seems to be that every consumer has a range of choice—many of them don't."

These points can be answered as follows: (1) What the head of the family thinks good the family members may not think good; this is a real difficulty, but not one to be resolved by enlarging the sphere of the state. (2) The swamp-building example, not an implausible one, assumes he *does* have information and therefore *can* protect himself by not buying. (3) Our point is that the consumer should have as wide a range of choice as possible, subject only to the limitation that he does not harm others; if the state forbids him from building on swampy land, his range of choice is that much narrower.

ever, had the area been subject to a high level of zoning and subdivision requirements.

The larger point is that suburban shack towns should not be the only places outside central cities available for low-cost Negro occupancy. Shack towns can grow only where there are no building standards; building codes based upon minimum standards would avoid such developments while still providing low-cost suburban housing. But overstringent subdivision and building regulations in the suburbs have the effect of cutting off Negro suburbanization, thus exacerbating the urban-suburban population schism on racial lines. This limitation of the housing market, discriminating against those of lower income directly and against Negroes indirectly (or illegally), is itself to be avoided. The larger political and social consequences are no less undesirable.

There is also danger that such regulations will force some people to spend more of their incomes than they otherwise would on housing and related facilities in order to meet standards the ultimate justification of which is the taste of others. Builders as a group tend to oppose the imposition of such unnecessary standards; they see that if standards are too demanding, many potential homeowners may be priced out of the market. "If they can zone housing on aesthetic grounds," one of them said to an interviewer, "why can't they tell me I have to have a Cadillac instead of a Chevy in order to live in their damn suburb?"

The social costs of excessive zoning and building regulations by "exclusive" suburban groups, as in the requirements for 4-acre plots or granite curbs, are not usually discussed. Yet they certainly exist. They take land out of the building market. They raise lot and building prices, not only directly but indirectly, not only for those building in the suburbs so regulated, but also for those building in nearby areas. It is one

thing for a group of landowners to decide not to sell their land in lots of less than 4 acres and not to sell unless the purchaser agrees to build a house of a certain style and size. But it is a different thing for people to use public powers to prohibit others from selling their land, and still others from buying that land except under these restricted conditions.

To establish *maximum* area-wide standards to combat such social costs would strike hard against one of the nation's chief values: the "right" of a community to control its own development. Such a course of action is not justified. The social costs incurred as a consequence of extravagant zoning and building regulations will not hurt much unless land available for less restricted types of building becomes more scarce than it is now. No action need be taken against economic exclusiveness, even absurd exclusiveness, as long as a wide range of nonexclusive building opportunities exists. The maintenance of such a range should be the first concern of policy.

If maximum standards are not justified, neither are minimum ones, except to the extent that they are designed to avoid some clear danger to the whole community. To require the consumer to buy more housing or related facilities than he wants is both an infringement of his liberty and a mal-allocation of resources. There is no need to explain why it is the former. It is the latter because only the consumer is in a position to know what combination of goods and services—trees and sidewalks as against food and clothing, for example—will give him the greatest total satisfaction. Area-wide standards for building should not exceed genuine minimum standards. Definitions of "minimum" or "essential" should not be confused with definitions of "desirable" or even with exaggerated middle-class ideas of "adequate."

There nevertheless remains, as a necessary activity of the county or state government (or of another government unit

covering a complete metropolitan area), the need for promulgating and enforcing general zoning requirements and minimum building codes. These regulations should be designed to prevent what has happened in some part of almost every metropolitan area in the past: the building of homes and communities whose water and sewage deficiencies endanger public health and safety. Such developments have grown up mostly in unincorporated areas; and, as incorporations decrease the size of such areas, the dangers of newly built slums become correspondingly less. Yet even municipal corporations are not always willing or able to establish minimum standards. And where they do not, some larger government should.

State laws often make it possible for incorporated places to escape zoning and building laws. In St. Louis County, for example, forty-four new incorporations took place between 1945 and 1950. In a large number of cases, the incorporations were instigated by builders who wished to be free of county-wide zoning and building regulations.<sup>7</sup> Incorporations of this sort may be necessary to make suburban building possible for lower-income groups in areas where standards of the larger unit make expensive demands on the builder. The net effect of such standards is a proliferation of local governments that would not take place if the county standards were established at a reasonable level. At the same time, where escape from all regulations is possible by incorporation, the building of new slums is also invited. Both undesirable alternatives can be avoided: regulations of the larger unit should be established at minimum levels; and incorporated areas should not be excused from meeting these regulations.

In matters not having a clear relation to minimum standards,

<sup>7</sup> See *Background for Action*, First Report of the St. Louis Metropolitan Survey, 1957, pp. 32-35.

local community option should prevail. Larger governing bodies ought to make positive efforts to insure that the widest possible range of choice will be open to the consumer. If there are people who wish to spend as little as possible on housing and the services of local government, the object of policy ought to be, not to deny them that opportunity, but to afford it to them through their local communities. Wide options, including the option to be exclusive and expensive, should prevail.

It is desirable that a great variety of service levels—"market baskets" of local-government service, to use the economist's familiar image—be offered to the consumer. "Market baskets" are possible under the program here proposed: the imposition of minimum standards for the whole area combined with wide local option in the local community with respect to services and facilities above the minimum.

### *Impact on Central Cities of Suburban Controls*

Suburban zoning, subdivision, and building regulation, it is sometimes alleged, adversely affect the housing situation in still another way: regulation by the suburbs tends to maintain the density of the central cities, thus encouraging the spread of slums and blight within them and depriving their lower-income people of access to more desirable residential areas. In particular, according to this view, the problem of finding sites for relocation housing is made more difficult by the structural separation of suburbs from the central-city government. Therefore, it is alleged, this separation impedes slum clearance and relocation within the central cities.

These propositions and the ones discussed previously may seem to be mutually contradictory, and in some degree they are. On the one hand, it is held that the fringes of the city suffer from lack of zoning. On the other hand, it is held that

the low-income, low-status populations of the central cities are confined to the slums by zoning ordinances designed to keep the suburbs exclusive.

Paradoxical as it may seem, there is much truth on both sides. It is true that eighty-five municipalities in the New York metropolitan area were without zoning in 1956. But it is also true that, wherever the city population immediately threatens to spread outward, zoning barriers are quickly erected. As the New York Regional Plan Association observes in a recent publication, if a band is drawn on a map to show where current land development is most intensive, virtually all of the communities in, or close to, this band will be found to be protected by zoning.<sup>8</sup> It is true that most of the small communities with zoning ordinances do not have full-time employees to administer them, and that practically none of these communities base their zoning on a comprehensive plan. But it is also true that, inadequate as they are from a city-planning standpoint, such ordinances tend to prevent outward movement of the central-city populations.

When he was asked how the fragmentation of government in metropolitan areas affects the housing situation, Mayor Frank P. Zeidler of Milwaukee went to a typewriter and produced a two-page statement which included the following:

The housing problem is in the central core of the cities. Here the people are packed in densities upwards of 10,000 persons per square mile and in many cities with densities many times that. As the houses deteriorate there is no method to move the people around and clear the sites.

The cities are surrounded by suburbs with zoning restrictions that restrict residence to the upper income groups or that restrict the number of families per acre. Consequently, the pressure between

<sup>8</sup> *Zoning Advances*, Regional Plan Association, New York, bull. 85, 1955, p. 11.

the masses of people in the city seeking to go outward and the suburb exclusiveness creates a continual area of conflict.

Hostile suburbs seek to choke the cities' normal expansion to provide for a growing population. The problem of providing new subdivisions for builders becomes very acute under these circumstances.

Suburbs are often deficient in their ability to supply essential services such as water, sewage systems, and schools. Consequently, builders do not want to operate in these because of extra costs which fall on the homeowners.

The central cities contain the minority groups which the suburbs fiercely resist. The present types of minorities resisted are Negroes, Puerto Ricans, and Mexicans.

The minority groups entering the big cities for work cannot find sufficient living space and crowd into the slum areas which are the only places that will receive them. Here they are exploited by high rents for dwellings which are not repaired by rapacious landlords. In addition, families crowd in and overuse the structures so that the life expectancy of the structure is greatly diminished. The patterns of living of many minority families tend to aggravate the unsanitary and dilapidated conditions of living.

It is easy to point to examples of the kind of thing that Mayor Zeidler had in mind.

In Fairfield County, Connecticut, a recent campaign strengthened zoning restrictions and instituted them where they did not already exist. Its purpose was twofold: to stem the rapid tide in building, both residential and industrial, and to preserve the "rural character" of the burgeoning suburbs. In the last eighteen months, Greenwich has upgraded five separate areas. This upgrading increased the minimum size of lots on which houses could be built. In some cases the minimum was increased from  $\frac{1}{2}$  or 1 acre to 2 acres, and in others from  $\frac{1}{2}$  to 1 acre. Greenwich has also stoutly resisted attempts to decrease the minimum lot size from 4 acres in its "back country" north of the Merritt Parkway. Westport, in addition to a "crackdown" on developers, has soothed the fears of



residents of its exclusive Greens Farms section by requiring 2-acre lots for houses where only 1 acre had been required for many years. Similarly, New Canaan recently upgraded a 400-acre area from 1 to 2 acres.<sup>9</sup> Recent court decisions, especially those which have approved use of the zoning power for aesthetic purposes, have given a solid legal basis to efforts of this sort to regulate the "character" of the community.<sup>10</sup>

Frequently efforts are made to exclude new residents whose service requirements will exceed the taxes they will pay. In the New York region, the following devices have been used:

Informal suggestions have been made to building inspectors that they cease issuing permits for a while.

Obsolete building codes have been retained to prevent economical construction.

Approval of a development across a main road from a school has been withheld on grounds that a safety hazard would exist.

Stiff requirements for street improvements have been imposed, and then waived in favor of "desirable" developments.

Developers have been required to post bonds covering twice the cost of street improvements.

A 5-acre minimum lot size has been imposed for new dwellings.

Large-scale building operations have been defined as "business" for zoning purposes, thus excluding them from "residential" areas.

<sup>9</sup> *The New York Times*, Apr. 29, 1956. The *Chicago Daily News* of Sept. 7, 1956, reports that some Chicago suburbs are "boosting minimum lot requirements, demanding installation of wider streets, calling for curbs and gutters."

<sup>10</sup> The principal opinion dealing with aesthetic factors is *Berman v. Parker*, 348 U.S. 26 (1954). On the law of subdivision see J. W. Reys, "Control of Land Subdivision by Municipal Planning Boards," *Cornell Law Quarterly*, vol. 40, Winter, 1955, pp. 258-280.

Builders have been required to obtain a certificate from the school board indicating that school accommodations will be adequate.

Scattered land parcels have been rezoned for commercial or industrial use on a one-at-a-time basis, removing these parcels from residential use.

"Look-alike" ordinances under "residual home-rule powers" have required each house be different from its neighbors in specified characteristics.

A town has purchased all available land in plats large enough for subdivision and resells this land only to favored purchasers a few lots at a time.<sup>11</sup>

Where uniformly applied, zoning ordinances, subdivision regulations, and building codes have the effect of preventing all low-income people from moving into the protected locality. The intent of the regulations is to keep out Negroes and other "undesirable" groups, whatever their income. Where legal barriers are not sufficient to maintain a "white only" policy, the land-use controls can be used informally—and of course illegally—to exclude them. A Philadelphia builder told an interviewer that he would like to sell houses to Negroes, but that it would be impossible for him to do so. "If I sold just one suburban home to a Negro," he explained, "the local building inspectors would have me moving pipes three-eighths of an inch every afternoon in all of the homes I was building—and moving a pipe three-eighths of an inch is damned expensive, if you have to do it in concrete."

Although regulation is often justified by city planners and courts on the grounds that it maintains property values, its real

<sup>11</sup> These cases are among those reported by Henry Fagin, Planning Director of the Regional Plan Association, Inc., New York, in "Financing Municipal Services in a Metropolitan Region," *Journal of the American Institute of Planners*, Fall, 1953, pp. 215-216.

effect is often the opposite. Property values in a given locality would tend to go up rather than down if the whole population, including Negroes, were allowed to compete for land. Similarly, lot-size zoning regulation has the effect of keeping property out of a most profitable market. If the courts and the planners wished merely to maintain or increase property values, the elimination of almost all such regulations would often be required. In fact, however, the general motive of regulation is to preserve the existing character of a community. The question of how much it is reasonable to pay in public and private costs to secure a certain measure of "stability" is one that is seldom if ever considered. "Stability" has a unique meaning in this context: a neighborhood is usually called stable if, despite changes in personnel, its class character is unchanged.

It would be a mistake to suppose that any city is literally surrounded with high-priced suburbs. On the fringes of all there is some land which, as far as land-use regulations are concerned, could be made available to the lowest-income groups in the housing market. Most slum dwellers could not afford even this inexpensive suburban housing; others, who could afford it, would not be willing to live in the suburbs. (Social satisfactions of living in slum areas exist, although they are not completely understood.) But some slum dwellers could both afford and would like suburban housing. And many others would like to live in the somewhat better housing of the areas on the fringes of the slums. If the middle- and lower-middle-class people who live next door to the slums moved to the suburbs, their places would quickly be taken by those slum dwellers, especially Negroes, whose presence in the slums is due less to income than to the prejudice which excludes them from much of the housing market.

The effect of land-use regulation in the suburbs is thus felt

by the slum-dweller both indirectly and directly. By raising the price of housing in the suburbs, such regulation reduces the direct suburbanization of slum dwellers. It also reduces the movement of the middle and lower-middle classes out of the blighted areas of the city. This in turn holds the slum dweller in the slums and the Negro in the ghetto.<sup>12</sup>

This stability has certain advantages for the central city. If the middle-income group were to follow the upper-income group out of the city, it would be all the harder to finance essential city services for those who would remain. Ironically, then, the impoverishment of the central city, which Mayor Zeidler also described, might be worsened, not relieved, by removal of zoning restrictions which impede the exodus from the city. Indeed, it could be argued that the central cities would have been better off during the last two decades if zoning ordinances had prevented all but the very rich from living in the suburbs. In this event, the central cities might have been largely rebuilt instead of largely abandoned by those who can afford to support them.

What has actually happened is not without its compensations. The departure of the middle- and lower-middle-class whites to the suburbs has to a considerable extent facilitated the wholesale movement of Negroes from South to North. This, it may be supposed, is—and will be for generations to come—of the greatest importance to the welfare of the Negro. It is also of far-reaching economic importance, for the phenomenal postwar expansion of industry has occurred princi-

<sup>12</sup> In Detroit, where zoning ordinances have not prevented the construction of much low-cost housing on the fringe, Negroes of the middle and upper classes have been able to move into many fine brick houses that have been vacated by the outgoing whites. Although not new, the brick houses have in the eyes of the Negro decided status advantages over wooden ones. They are, moreover, within easy access to the main body of the Negro community.

pally in those parts of the country to which the Negroes have migrated; without their presence in the labor market in these places, this expansion would have been more difficult, if not impossible.

With respect to the specific problem of relocation housing for those removed from the dense core of the central city in the process of urban renewal, many housing officials suppose that this problem would quickly be solved if there existed a government with a metropolitan-wide jurisdiction. But this is certainly too optimistic a view. Even under a metropolitan government, the people of the outlying areas would not be without ability to resist, politically and otherwise, the incursion of what they consider "undesirable elements" into their communities. There would still be local zoning and other regulations. In Chicago and in many other cities, the residents of the outlying neighborhoods within the central city have successfully opposed housing measures which threatened to bring residents of the core area into their neighborhoods.<sup>13</sup> If relocation is not politically feasible on an interneighborhood basis, the creation of a metropolitan government will not make it more feasible on an intercity basis. A single government for a whole area might provide a more satisfactory political arena for the eventual solution of relocation. But it will not *ipso facto* guarantee it.

It is true, though not to the extent usually claimed or for the reasons usually given, that the separation of central city and suburbs has produced ill consequences for housing. These are consequences of central-city high densities, blight, and slum conditions, shared to some degree by some suburbs. The most crucial problem is the one least discussed: the social and

<sup>13</sup> See the case study of public housing in Chicago by Martin Meyerson and Edward C. Banfield, *Politics, Planning and the Public Interest*, The Free Press, Glencoe, Ill., 1955.

racial bifurcation that finds lower-income whites and non-whites of all income groups largely confined to the central cities, middle- and upper-income white groups to the suburbs.

This situation threatens the metropolitan areas with a wide range of deleterious consequences, social, economic, and political. The way to avoid these consequences in principle is easy: more middle- and upper-income whites should live in the central cities, and more lower-income whites and Negroes of all incomes should live in the suburbs. But the accomplishment of this dual population shift is the most difficult task facing those concerned with urban society. One thing is clear: larger local-government units are themselves no guarantee that the task will be performed.

In the long run, cities must be made more attractive than they now are to those who flee them. The values of urbanism, other things being equal, compete easily with the suburban way of life. The other things not now equal include modern, moderate-priced housing, green space, good schools, "safe" neighborhoods, and related amenities. To achieve them, cities will have to engage in renewal and redevelopment plans far more extensive than any now in existence, spending money far in excess of anything now scheduled. Site clearances of hundreds of acres are of the magnitude needed. Whole sections of cities will have to be replanned and rebuilt.

The other side of this coin is to make suburban life possible for lower-income and nonwhite groups. The use of nondiscrimination laws covering home sales, such as the one that exists in New York, should be fully investigated as experience accumulates. A free market for housing, within cities and suburbs alike, would substitute economic for racial standards in the construction of residential areas, and would go far in eliminating the racial character of the urban-suburban difference. On the theory that class attributes based largely upon

income, rather than racial attributes, make for separateness, the middle-class, nonwhite suburb might be fostered. This is one possible first step toward middle-class habits of life for larger numbers of nonwhites, and, therefore, a step in the direction of interracial communities.

In programs of this sort and immensity, the legal and fiscal powers of governments in metropolitan areas are insufficient. Local groups can accomplish a good deal, and many have done so. But here, as elsewhere, the problem of metropolitan areas is in fact a national problem. Its solution will not be found without joint programs of local, state, and the national governments.

### *Building Controls and Building Costs*

Improvement in housing is also impeded, some well-informed people assert, by the number of bodies which impose construction standards upon builders and by the diversity of these standards. Local variation in building and housing codes and their local enforcement is said to lead to delays in construction, unnecessarily high costs, and malallocation of housing among localities within the metropolitan area.

The purpose of building codes is to insure that new construction is safe. Usually regulation of this kind is carried on by county and municipal governments. Federal agencies—FHA and VA—also provide building regulation and inspection as a part of their programs to guarantee home-purchase loans.

There is great variety in the regulatory arrangements which exist within any given metropolitan area. In unincorporated places construction may be regulated by the county, or it may not be regulated at all. In some small cities, there may be no code as such, but regulation of a kind may be carried on under various ordinances. Other small cities may have codes, but the

codes may be largely obsolete or unenforced. Only in the large cities, and not always there, is there likely to be an up-to-date code which is enforced by well-trained, full-time inspectors. The total effect is one of variety and change, even between contiguous municipalities.<sup>14</sup>

In Allegheny County, Pennsylvania, for example, only half of the municipalities have building codes and many of these are obsolete. There is some uniformity among the codes because many of them are based upon common sources, albeit several common sources. However, there are important differences, especially in the organization of the codes, their technical content, the standards for the evaluation of structural methods and materials, the adaptability to new methods and materials, administrative procedure, and administrative discretion in enforcement. Only half of the Allegheny County cities have building inspectors, and most of them serve part time.

FHA and VA have their own regulations and make their own inspections with regard to the houses on which they guarantee loans. In general, the requirements of the two agencies are the same or very similar; in some instances, however, there are at least temporary differences in the standards of the two Federal agencies.

Thus a builder who operates in a large city must meet several inspections from more than one source. The city building department may give a first, second, and final inspection; and the same, or another, department may make "rough-in" and final inspections of electrical, plumbing, and heating systems. (In some cases, a different department inspects each

<sup>14</sup> For a detailed description of the regulatory process, see U.S. Housing and Home Finance Agency, *Report on Administrative Procedures for Enforcement of Building Regulations*, Government Printing Office, Washington, April, 1954.



facility.) If there is a likelihood that a VA loan will be wanted, there must also be a final VA inspection, and, where housing has not been approved by FHA, a first and second inspection as well.

Builders not unnaturally complain about this complicated procedure. Specific complaints are:

Some codes require more labor or more of certain materials (or more costly labor or material) than are really necessary for safe construction. In cities where the building trades are strong, codes are likely to outlaw the use of laborsaving methods and materials. In many places certain manufacturers and suppliers have managed to secure the adoption of code provisions that restrict competition. In 1954 the Denver Metropolitan Association of Home Builders made a study of the differential costs imposed by building codes in that area. Taking a "minimum adequate" code as a base, the Association estimated the additional costs per house which would be imposed by the codes of each of seventeen regulatory authorities. The spread was remarkable: <sup>15</sup>

Denver	\$ 5.60	Englewood	\$454.00
Adams	411.00	Golden	180.00
Arapahoe	554.00	Greenwood	0
Jefferson	457.00	Littleton	536.00
Arvada	457.00	Mountainview	306.00
Aurora	140.00	Westminister	75.00
Brighton	134.00	FHA	18.00
Cherry Hill	0	Edgewater	405.00
Commercetown	405.00		

Differences among codes tend to allocate housing between cities on an irrational basis. The city which establishes costly and unreasonable standards will tend to drive new construction to other places where requirements are less exacting.

<sup>15</sup> John Hoerner, "An Analysis of Metropolitan Building Codes," *The Engineer's Bulletin*, July, 1955.

Sometimes a city, in order to secure an additional tax base, advertises its laxity in the regulation of new construction.

Building codes tend to impede innovation. Before he can do something in a new way, the builder must get the local code changed. Small city codes tend to be especially inflexible because small cities cannot afford building departments staffed by competent engineers. It is doubtful, however, that this is a serious impediment to the improvement of the housing situation. As one builder explained, "It is costly to push a new idea through because of the inspection setup. But this is both a good and a bad thing. Not all new gimmicks are better mouse-traps, and it takes time to find out about them. If something is good, it will finally shine its way through."

Because of local variations in codes, a builder must redesign his homes for each locality. The cost of making these changes must be added to the price of the houses. Rather than go to the expense of changing plans and familiarizing his workmen with a new set of standards, a builder may refrain from entering a new town, especially if he expects to build only a few houses there.

Because of the number of inspections that must be made by the various jurisdictions, construction delays often occur. Some builders have estimated that one to two weeks are added to construction time by the inspections. Assuming a \$10,000 construction cost at 4 per cent interest, the value of time would be about \$1 a day. Obviously this is not an important item in the cost of the house, although costs arising from disturbing work patterns and idling workers may be far greater. However, if the house is to be well built, a number of inspections will be necessary; unless there is to be an even more costly waste from the employment of too many inspectors, some delay is virtually unavoidable. "Actually all this inspection is not too bad," a large home builder in the Denver region

told an interviewer. "I can't personally look carefully at one in fifty of the houses I build. My people are bound to make slips, and they're bound to get too well acquainted with any one local inspector. It saves me time and money to have the inspection service provided by the public agencies. It would be hard for me to do it properly myself."

In most small cities the building inspector is a part-time official, usually a former carpenter, plumber, or electrician, who is not competent to exercise discretion in the application of a code. Such inspectors are apt to be unreasonably inflexible and to object to all practices which are not traditional in the locality. Because of the lack of competent inspectors, small cities cannot adopt "performance" in place of "specification" codes. (A performance code describes the outcome to be attained; a specification code specifies the materials and methods to be used.) Local inspectors may thus veto the plans of builders who utilize the most effective design and engineering facilities.

Local inspectors sometimes use the code as a weapon against builders who do not "play ball" with a political machine, who sell to Negroes or other "undesirables," or who are felt to be outsiders creating unwarranted or unfair competition. The inspectors' unquestioning acceptance of the canons of the local community and especially of its dominant builders is as likely as venality to be the problem here.

From an engineering standpoint, there is little excuse for local variations in codes. Soil and surface water conditions may vary locally, but these need affect only the footings of a house. In all other respects, standards of safe construction for any given metropolitan area could be virtually uniform.

There is widespread opinion that building codes should be uniform by state or, at least, by county. (New York State has a building code which localities may adopt by reference.)

This is a desirable arrangement if—and only if—the state code is free of the encumbrances which labor unions and manufacturers of building materials have managed to insert into so many local codes. There is no doubt that some of the most unreasonable and repressive codes are in the larger cities where special interests have long exercised great political power. If in the name of uniformity and simplicity the codes of these large cities were extended to the whole metropolitan area, the effect would be worse than the present lack of uniformity.

Fortunately, it is possible to have many of the advantages of centralization without its disadvantages. The Building Officials Conference of America (BOCA) has produced two codes, one for large cities and another for suburban and rural areas, which more than 200 cities have adopted since 1950. Similarly, the Pacific Coast Conference Uniform Building Code, the production of another professional body, is gaining wide acceptance. There is no reason why such associations, as well as state agencies and large cities, cannot train local inspectors to enforce these codes under the auspices of local governments. Alternatively, professional agencies or larger units of government might contract with small cities to supply building-inspection service on a fee basis. In this manner the disadvantages of decentralization could be overcome without sacrifice of local autonomy.

The problem of raising the level of regulation in small cities is probably less difficult than that of lessening the overregulation which so often exists in the larger cities. Studies like that made by the Metropolitan Denver Home Builder's Association, which pointed out added costs attributable to unreasonable regulation, may do much to prepare the way for change. All but two of the cities in the Denver region adopted a uniform minimum code after the results of the Association's study were published.

## Chapter 6

# THE INADEQUATE LEGAL POWER OF LOCAL GOVERNMENTS

A common complaint is that the legal powers of the cities are insufficient to permit effective administration of housing programs. Those who make this complaint demand that cities be given a greater degree of home rule.

Municipalities are the legal creatures of the states: they may do only those things which state law authorizes. Even in "constitutional home-rule" states, the freedom of the local government is generally sharply limited.<sup>1</sup> New York City, for example, has constitutional home rule, but the state's multiple-dwellings law serves as the city's housing code; and when the city wants to stiffen its housing standards, it must persuade the legislature to take action.

### *Local Freedom: Restrictions, Needs, Limits*

Almost everywhere city officials assert that indifference or ignorance on the part of rural representatives in state legislatures frustrates action on metropolitan problems by withholding essential powers from the cities. Sometimes this complaint

<sup>1</sup> Leverett S. Lyon (ed.), *Modernizing a City Government: A Report of the Chicago Home Rule Commission*, University of Chicago Press, Chicago, 1954.

is extended to include the charge that legislators interfere in city matters deliberately out of ill-intentioned hostility. Between the metropolitan areas (and especially the central cities) and the rural "upstate" or "downstate" hinterland, there are profound differences of party, interest, and ideology. The white, middle-class Protestants of the rural areas frequently dislike and distrust the great polyglot populations of the central cities, and they often fear the influence of the professional politicians who are sometimes able to dominate the political life of those cities.

When the overrepresented rural areas make common cause with the suburbs against the central city, the city is sure to be outvoted. Interest groups therefore often find it easier to attack housing programs in the state legislatures than in the city councils. Despite the popularity of urban redevelopment in Milwaukee, for example, the Wisconsin legislature passed a law permitting sale of housing projects before their completion, a measure which city officials predicted would provoke such a rash of lawsuits that slum clearance would be delayed indefinitely. Instances of a similar kind could be pointed to in many states.

In some cases, moreover, even permissive state laws contain provisions which seriously impair the ability of city officials to initiate and carry out housing programs. Ohio requires that all local bond issues receive approval of 55 per cent of those voting. This high percentage makes financing of redevelopment difficult; in 1954, a bond proposal failed in Columbus although 53 per cent of the electorate voted in favor of it. North Carolina's redevelopment law prohibits the use of the power of eminent domain for acquiring *standard* structures, a provision which forced Charlotte, Fayetteville, Greensboro, and Winston-Salem to abandon their programs when the legislature refused to change the law. California requires that a

local referendum be held for every proposed public housing project.

City powers are hedged in other ways. Very frequently only the largest cities have been authorized to carry on redevelopment programs. Louisiana's law applies only to New Orleans; Indiana's only to Indianapolis; Kansas's only to Kansas City; Maine's only to Portland; Nebraska's only to Omaha and Lincoln; Missouri's only to Kansas City, St. Louis, and St. Joseph.<sup>2</sup>

One essential power which all cities, large and small, generally lack is the revenue power. Even New York and Chicago, although their budgets are bigger than any state budgets, must turn to the legislatures for funds with which to carry on housing programs. With the exception of New York, the state governments have been unwilling to enter upon a permanent program of public financing.<sup>3</sup> In some states (California, Washington, Ohio, and Missouri, for example) cities are permitted to levy a wide range of taxes,<sup>4</sup> and generally since the war, the states have markedly widened the scope of municipal revenue powers. Yet in many states, still greater discretion should be allowed cities in the management of their fiscal affairs, even though complete fiscal independence is impos-

<sup>2</sup> William Gerberding, *The States and Housing*, unpublished master's thesis, Department of Political Science, University of Chicago, 1956, discusses the variations that exist among the states in programs of public aid to encourage private enterprise in the construction of housing and in the redevelopment of blighted areas; programs for the construction of public housing; and permissive legislation establishing conditions under which local governments may participate in Federal programs for public housing and for urban redevelopment and renewal.

<sup>3</sup> Ten states render (or since World War II have rendered) direct financial assistance for construction of housing. A total of 80,000 units has been built in these states. Most state programs are regarded as temporary.

<sup>4</sup> See R. G. Cohen, "Municipal Revenue Powers in the Context of Constitutional Home Rule," *Northwestern University Law Review*, vol. 51, 1956-57, pp. 27-52.

sible for even the largest city. The solution of municipal financial problems, including those for housing, cannot lie in separating cities from states, even if separation is the result of greater autonomy; rather that solution will come only through greater cooperation of states and municipalities in their tax policies and fiscal management.<sup>5</sup>

Despite the demands for greater home rule by city officials (which in many cases is less a program than a slogan), and despite the genuine impediments to discretion that exist in many places, examination of statutes and constitutional provisions demonstrates that some states have endowed their larger cities with powers adequate to enable them to carry on effective housing programs. At the end of 1957 forty-six states had enacted legislation permitting local governments to participate, completely or partially, in Federal housing and urban-renewal programs.<sup>6</sup>

Cities do not lack other powers. In a recent report the Urban Renewal Study Board of Baltimore observed that the city had very broad and comprehensive powers with which to carry out the urban-renewal program. These powers were not described in legislation related to urban renewal because the legislation was enacted prior to the time when the concept of urban renewal emerged.

However [the report said], the scope of urban renewal and its meaning for urban reconstruction are subject to whatever definition a community chooses to give them in its efforts to mobilize the resources necessary to make a comprehensive attack on its problem. . . .

<sup>5</sup> See the article by Morton Grodzins, "State-Local Fiscal Relations: A Critical Commentary," *National Tax Journal*, vol. 3, March, 1950.

<sup>6</sup> Wyoming and Utah do not allow their cities to receive Federal aid for redevelopment, urban renewal, or public housing. Iowa and Oklahoma do not permit their cities to receive Federal aid for public housing; and Idaho, Mississippi, Louisiana, Montana, and New Mexico do not allow participation in the Federal redevelopment or urban-renewal aid programs.



[Baltimore] can move forward now if it will take certain immediate steps, all of which are consistent with existing legal authority.<sup>7</sup>

Among Baltimore's existing general powers are the following:

The city has as broad a grant of the police power as is required for urban renewal, possessing such power to the full extent that it is possessed by the state itself.

The city has full and complete powers to make and enforce codes in respect to construction, repair, sanitation, and occupancy.

The city has the power to acquire property for clearance and resale for redevelopment.

The city also has the power to acquire properties for rehabilitation and repair. The city can do this either directly with city funds or by resale to developers, who may purchase the properties subject to agreement to rehabilitate or repair according to the standards or specifications prescribed by the city.

The data at hand do not reveal to what extent other cities find themselves in Baltimore's relatively fortunate situation. Even in that city, the Study Board found, additional legislation would be necessary before a fully geared urban-renewal program could be implemented. An investigation should be made, state by state (and by cities of different-size groups within each state), of the powers available and the powers needed for adequate urban-renewal programs. It is safe to say, however, that there are at least six important classes of legal impediments: "nuisance" legislation by which the states hamper and impede urban-renewal programs; gaps in city powers covering aspects of land acquisition, development, or use; the

<sup>7</sup> *Report of the Urban Renewal Study Board*, Baltimore, September, 1956, pp. 76-77.

denial to cities of revenue powers or state assistance adequate to finance housing programs; the denial to small cities of power to participate in Federal programs; lack of legal authority to make intermunicipal contracts for planning and administration of housing programs; and imposition of tax and debt limitations.

As the relative importance of the metropolitan electorate to the whole electorate increases, there will very likely be a gradual tendency toward reapportionment and a consequent distribution of political power in state legislatures which will not penalize the cities so heavily. Even so, there is no prospect that the cities alone can ever possess sufficient powers to meet all their housing and urban-renewal problems. "Home rule" and "self-government" are misleading terms when applied to local units of government.<sup>8</sup> These cannot be absolute concepts. Municipalities cannot disengage themselves from the larger state and Federal mechanisms. They cannot be freed from constitutional obligations or from legislative demands that make it necessary for them to provide educational facilities, judicial processes, or a multitude of additional services. Except at the price of high administrative costs, low efficiency, and undesirable regressive features, they cannot achieve tax independence.

"Home rule" is therefore a relative matter. It calls for self-government—i.e., freedom from legislative dependence and from legislative interference—in limited fields only. There are few areas of municipal administration that do not presuppose a high level of intergovernmental collaboration.

<sup>8</sup> Home rule, according to the Chicago Home Rule Commission, "is a symbol almost wholly devoid of substantive content and meaning" (Lyon, *op. cit.*, p. 309). For a discussion of these matters see chaps. 9 and 10 of the Commission's report. The paragraphs that follow are adapted from the Council of State Governments, *State-Local Relations*. One of the authors of this study (Grodzins) was the principal author of the Council report.

The role of the states is crucial. It includes broadening local powers; providing state services where local governments cannot adequately function, especially in small cities; and collaborating to a high degree, especially in fiscal programs. Whether the general broadening of local powers is accomplished through formal "home rule" is not important. Permissive legislation, as in Wisconsin, is frequently as effective a means to the same end.

Counties characteristically have more restricted legal powers than cities. If urban counties are to play a larger role in metropolitan areas, this must be corrected. Only the state legislatures can do it. Counties generally suffer from grave organization defects. They have no adequate legislative bodies. Responsibility is widely diffused among large numbers of independently elected or appointed officers and boards. To a very large extent, these defects in county government are fixed in state constitutions. Many elective county offices are specifically named in constitutions, for example. Such rigidities prevent alteration of county governments except through constitutional amendment, a difficult process in most states.

In North Carolina and West Virginia the states have assumed many administrative services once carried on by the counties. In a number of states—New York, California, Georgia, Maryland, Missouri, Ohio, Oregon, and Texas, among others—the trend has been in the other direction, and county governments have been modernized and endowed with larger and more flexible powers. The latter tendency is the more general one. It must be widely extended if urban counties are to be able to assume any leading role in the housing and urban-renewal programs of metropolitan areas.

## *The Case against Tax and Debt Limitations*

The limited legal powers of local governments are illustrated in an extreme fashion by statutory and, especially, constitutional tax and debt limitations. Many of those most concerned with housing and urban renewal in metropolitan areas say that these state limitations on local fiscal powers prevent central cities and suburbs alike from providing for their long-term housing needs.

Tax- and debt-limit provisions reflect the fear of property holders that unpropertied groups will place an undue tax burden upon them. All but eight states impose general constitutional or statutory limitations on local property-tax rates, and other states limit rates by special legislation. The Missouri constitution, for example, provides that a regular property-tax levy by a municipality may not exceed \$1 on \$100 assessed valuation, except that, for a period not exceeding four years, the levy may be increased if the rate and purpose of the increase is approved by two-thirds of the electorate voting on the issue. In any given area the sum of the taxes of the overlapping taxing bodies is usually the effective total limit for the area. But in some states (North Dakota and Oklahoma, for example), general over-all property-tax limitations establish tax ceilings that may be considerably less than the sum of the separate limits of the overlapping units.

Constitutional and statutory local debt limits exist in every state. Generally these limits are based on assessed valuation of property. They vary from  $\frac{1}{2}$  per cent (Georgia) to 40 per cent (Nebraska school districts).

In its report on *State-Local Relations*, the Council of State Governments observed that tax limits have failed to produce the beneficial results expected of them by their sponsors. The report stated:

They [tax limitations] have not effectively limited property taxes; they have not reformed state-local tax systems; they have not produced economy in government. On the contrary, rigid limits have brought about crises in the administration of local affairs and abuses in the management of local finances.<sup>9</sup>

Debt limitations based on assessed valuations, the same report further observed, have the following defects:

The limits do not apply uniformly because assessment ratios vary widely. This variation in no way reflects the credit needs of local governments.

There is no clear connection between the capacity to finance debt, on the one hand, and property assessments, on the other; a far more accurate index of fiscal strength is total revenue.

The limits usually take no cognizance of overlapping debt.

The limits are "perversely elastic": they expand with increasing assessment during prosperity when speculative borrowing should be checked; but the debt limits decrease with decreased assessments during depression at the very time that public spending should be increased.

The debt limits are a crude and inflexible control: they exert no influence on local borrowing until the debt limit is reached; then, no matter how great the need, they make further borrowing theoretically impossible.

Finally, debt limits encourage the multiplication of government units and stand as a barrier to the consolidation and enlargement of local areas.<sup>10</sup>

These arguments would be valid at any time. Now and in the foreseeable future, when population is increasing at an extraordinary rate and there is much movement to new suburbs, an even stronger case can be made against tax and debt limitations. Because of the population increase and the

<sup>9</sup> *State-Local Relations*, p. 112.

<sup>10</sup> *Ibid.*, pp. 117-118.

movement to new suburbs, a far greater investment in "social overhead"—especially schools, highways, and water and sewage systems—is required than could have been anticipated when the limitations were framed. Restrictions which were tolerable when population was stationary or declining become intolerable when it expands.

In many places such limitations make it impossible to develop community facilities fast enough to meet existing and anticipated needs. The Chicago suburb of Oak Lawn, for example, grew from 4,000 in 1950 to 17,000 in 1956. Almost half of its population were children. In April, 1956, homeowners in one of the community's elementary school districts voted to increase their tax assessment to \$1.25 per \$100 of assessed valuation, the maximum rate permitted by law. The district was fast approaching its maximum bonding limit of 5 per cent of its assessed valuation: outstanding bonds totaled \$1,293,000 out of a legally possible \$1,677,391. Meanwhile the demand for school facilities was increasing at a much faster rate than assessed valuations. Another 2,300 residents were expected in Oak Lawn in 1957.

It should not be supposed that the property-tax limit is an impediment in the fast-growing suburbs only. The central cities, which must bear the burden of slum clearance and redevelopment, are in some cases held to the same limits which apply in rural areas, or to limits that, if higher, are no less restrictive.

As noted above, tax and debt limitations encourage the proliferation of overlapping jurisdictions without serving the purpose for which they were framed. However, even if they did serve it, they would not be desirable: they are awkward and inflexible devices based upon the doubtful assumption that special tax protection is needed for real estate. For these reasons among others, the National Municipal League does not

include tax and debt limitations in its current *Model State Constitution* and *Model City Charter*.<sup>11</sup>

All debt limits should be abolished. If a market exists for a local government's bonds at an interest rate which the local people (or their elected representatives) are willing to pay, there is no reason for concern. If, however, the state legislature *must* substitute its judgment for that of the locality, it would be better to set an upper limit on the interest rate the locality might pay rather than to establish the ratio of its borrowing to assessed valuations. At the same time, the states should consider methods of extending credit to localities at low, stable rates of interest, thus making available to municipalities the states' greater revenue power as well as their ability to borrow in the open market at terms more advantageous than those usually available to local governments.<sup>12</sup>

Property-tax limits should also be abolished. They have indeed widened the revenue base of the municipalities, but they have widened it in some places by forcing a wholesale transfer of functions from local governments to the states, and in other places by breeding deficit financing, regressive consumption taxes, and nuisance levies of all sorts.

Debt and tax limitations harshly illustrate the narrow range of powers imposed by states upon municipalities. Discretion that should rest with the cities is exercised in the state capitals. This situation is unsatisfactory at both levels, for it leads to ill will and to an endless amount of alteration in debt- and tax-limit laws. The "most amended law" in Illinois is the property-tax-limitation law.

This criticism of property-tax and debt limits does not

<sup>11</sup> For the League's criticism of the limits, see its publication, *American Intergovernmental Relations*, National Municipal League, New York, 1954, p. 20.

<sup>12</sup> For discussion of various schemes of state and Federal credit to local governments, see *State-Local Relations*, pp. 115ff.

mean that real-property taxes or borrowing should be increased. That is another question altogether. The single generalization to be made is on a different plane: tax limits—and kindred debt limits—are unwarranted limitations imposed by states upon municipalities. They represent a loss of needed discretion and flexibility without compensating advantages, and with a number of disadvantageous by-products. They establish combativeness and separateness in the relationships between states and localities when, in law and in fact, the fiscal problems that such limitations try to meet can be properly met only through integrated fiscal programs and administrative collaboration.



## Chapter 7

# TAX DEFICIENCIES AND INEQUALITIES

The tax revenues of local governments are, of course, regulated by state law. Size, population, and the nature and extent of industrial development, among other factors, also affect the fiscal strength of local governments. And "fiscal strength" in turn is meaningful only when set against actual or needed expenditures. This chapter first examines the widely held belief that lack of an adequate tax system has left the cities too poor to carry on essential programs for slum clearance and new building.

Discussion of this proposition requires at least some rough estimate of the magnitude of the financial burden which an "adequate" housing program would place upon the cities. It also requires an evaluation of the ability of cities to assume this burden under present tax systems.

### *The Cost of an "Adequate" Housing Program*

In order to make an estimate of the magnitudes involved, Chicago serves as an example. It is assumed somewhat arbitrarily that an "adequate" housing program in Chicago would involve replacement of 20 per cent of the present housing supply over the next decade. In a good many Eastern cities—Boston, for example—an "adequate" program would probably

call for eliminating more than 20 per cent of the dwellings in the next decade, while in most Western cities a smaller proportion would have to be destroyed and replaced. Chicago, therefore, is reasonably representative.

It is further assumed that the public would have to pay for and destroy the deteriorated housing and, in addition, absorb some of the cost of land. This subsidy would probably amount to about \$4,000 per dwelling unit. Since approximately 250,000 houses would have to be replaced in Chicago during the next ten years, the public cost would be \$1 billion. The rebuilding program would necessitate more than normal expenditures for schools and other public works; these added expenses may be estimated at \$200 million for the decade. There would be a demand for higher levels of some city services in the rebuilt areas, but these costs might be more than offset by decreases in others (e.g., the cost of policing slums) and by increases in tax revenues.

The total cost, then, would approximate \$1,200,000,000 over the ten-year period. If Chicago were to pay the entire amount, the annual cost for the ten years would amount to something over \$33 per capita. If the present scale of Federal financing were continued for housing programs of this magnitude and Federal grants paid two-thirds of the cost (\$80 million annually), the remaining third to be paid by the taxpayers of Chicago would amount annually to about \$11 per capita for a decade.<sup>1</sup> If it is assumed that the Federal govern-

<sup>1</sup> The report of the Urban Renewal Study Board of Baltimore (September, 1956) estimates that an adequate renewal program there would involve attention to 140,000 dwelling units over the next twenty years and would cost \$900 million. On the assumption that two-thirds of this would be borne by the Federal government, the report estimates the local outlay at \$15 million a year. This, it says in one place (p. 87), Baltimore can afford. But in another place (p. 15), it says that it is improbable that the city could afford this in addition to normal expenses. The report then assumes that if normal public works are properly planned they would be

ment would not pay so much—that no more than \$30 million annually, or approximately one-fourth of the total could be expected in grants—the Chicago share would be \$90 million annually, or roughly \$25 per capita.

The relative importance of these magnitudes is apparent from Table 9. (It should be kept in mind that the housing costs would be for capital improvements calculated on an annual per capita basis for ten years, whereas the other items shown are annual operating costs.) On the assumption that two-thirds of the cost would be paid by national grants, a program of housing and redevelopment on the scale contemplated would for ten years be just below the three largest items of general expenditures shown in the table, following police, highways, and sanitation.<sup>2</sup> If the Federal government provided only one-quarter of the entire costs, housing would then become the most expensive item of all, almost twice as costly as police or highways, and five times more costly than welfare or recreation. If Chicago were to pay the entire bill, all other general expenditures for ten years would be dwarfed; housing improvement would cost the taxpayers a sum almost equal to the combined costs of police, fire protection, and highways. All three projections place housing and redevelopment in a radically different place from the one it now occupies in the budget of the combined large cities: \$1.79 per capita annually, twelfth place in the fourteen-item table.<sup>3</sup>

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accepted by the Federal government in lieu of any other contribution. On this view the renewal program would cost the taxpayers of the city nothing above what they would expect to spend for public works anyway; plus, of course, Federal taxes.

<sup>2</sup> Education is not included in the table because it is largely carried on by special district governments. In fact, of course, education is the most expensive local function.

<sup>3</sup> Amortizing the capital costs for housing over a longer period would, of course, decrease the annual costs. The higher costs, cited in the text,

TABLE 9: General Expenditures per Capita by Function, 1956, Five Cities of 1,000,000 or More (excluding New York)

All general expenditures	86.46
Police	14.73
Fire	7.25
Highways	13.90
Sanitation	12.01
Public welfare	4.38
Libraries	1.71
Health and hospitals	5.98
Recreation	4.64
Housing and community redevelopment	1.79
Nonhighway transportation	2.95
General control	4.88
General public buildings	1.62
Interest on general debt	3.56
Other and unallocable	6.85

Source: U.S. Bureau of the Census, *City Government Finances in 1956*, p. 13.

### *How Could the Bill Be Paid?*

Can cities carry added burdens of this magnitude? Traditionally, cities have relied principally upon the property tax. Before the depression, taxes on property produced more revenue than all other taxes—national, state, and local—put together. By 1953, however, they constituted less than 10 per cent of all taxes collected in the United States.<sup>4</sup> As Table 10 shows, the Federal and state governments have found lucrative new tax sources; but property, because of its very immobility, is still by far the best producer of tax income for local governments.

which ignore the possibility of long-term financing, represent the harder case and are therefore more appropriate for purposes of discussing whether cities can "afford" large-scale redevelopment and housing programs.

<sup>4</sup> For extensive collection of data on local revenue, see Municipal Finance Officers Association, *Municipal Nonproperty Taxes, 1956 Supplement to Where Cities Get Their Money*, Chicago, 1956.

TABLE 10: Sources of Governmental Revenue (in millions), 1955

Individual income tax	
Federal collections	\$28,747
State collections	1,094
Local collections	143
Property tax	
State collections	412
Local collections	10,323
Sales, gross receipts, and customs	
Federal collections	9,578
State collections	6,864
Local collections	779
Other, including licenses and permits	
Federal collections	465
State collections	2,102
Local collections	562

Source: U.S. Bureau of the Census, *Summary of Governmental Finances in 1955*.

Cities have been under enormous pressure in recent years to increase their revenues (total revenues of cities of 25,000 or more jumped from \$3.9 billion in 1946 to \$6.4 billion in 1955), and property-tax receipts, while increasing absolutely, have declined in their relative importance as a source of revenue, especially for larger cities. The sources of city general revenue in 1956 are shown in Table 11.

TABLE 11: Distribution of City Revenues, by Source

	1956 amounts per capita	
	<i>All cities</i>	<i>Five cities of more than 1,000,000 (excluding New York)</i>
Property taxes	\$41.48	\$36.56
Other city taxes	15.21	23.40
Intergovernmental revenues	16.30	14.41
Charges and miscellaneous	14.87	13.21

Source: U.S. Bureau of the Census, *City Government Finances in 1956*, p. 11.

If the trend toward greater expenditures continues, the question arises of where additional revenues are to be found, and whether they are sufficient to finance an adequate housing program. There seem to be four main possibilities:

1. The cities may increase revenue from the property tax by raising rates, equalizing assessments nearer to true values, and eliminating exemptions.

There is no doubt that revenues from property can be increased by improving the efficiency of tax administration as well as by raising rates. Whichever course is followed, over-reliance upon the property tax will in the long run have adverse effects on housing by causing consumers to shift expenditures from it to other things. As one writer has explained:

Insofar as the property tax raises the cost of housing about 20 to 25 per cent, it reduces the amount of space demanded and diminishes new investment for this purpose. Consumer demand, including the expenditure of the tax receipts, will be diverted to other consumer goods, and investment funds will also shift to supply these products. A lifting of the tax should have the opposite results. Although it is not easy to prove it by measurement, it seems that monthly housing expenditure and hence also investment are diverted from housing into other products such as automobiles, appliances, and other competitors for the consumer's dollar. Houses become smaller and cars larger.<sup>5</sup>

It seems plausible that houses will not only become smaller but will be moved out of the jurisdiction which taxes them heavily and into one (if there is such nearby) which taxes them lightly. However, there is very little good evidence that

<sup>5</sup> Walter A. Morton, *Housing Taxation*, University of Wisconsin Press, Madison, 1955, p. 112. The New York Mayor's Management Survey in its final report, referring to the situation in Boston where the basic tax rate was \$6.28 for each \$100 of valuation, observed: "The rate level is reported to have caused grave economic deterioration; new construction in the area has virtually ceased and rents are extremely high."

this actually happens and, because the tax bill cannot be considered apart from the level of service rendered, it is often difficult or impossible to determine as a practical matter where the advantage lies between two tax jurisdictions.

2. In the last decade or so state legislatures have shown a tendency to permit the cities greater freedom to explore new revenue sources. New York and Pennsylvania led the way in 1947 by giving the cities broad authority to levy new taxes. The more important nonproperty local taxes are those on income, sales, admissions and amusements, cigarettes and liquor, motor vehicles and gasoline, licenses, and privately owned utilities.<sup>6</sup>

Three important objections may be made to local nonproperty taxes: they tend to be highly regressive (i.e., they press most heavily on those of lower income); they usually involve great inconvenience to customers, shopkeepers, and others; and they tend to drive taxable property, income, or business out of the city and into the suburbs. As Morton has explained,

A local sales tax has many of the same limitations as the local income tax, the chief of which is the mobility of the taxpayer; a heavy local sales tax would be burdensome to local merchants if other shopping centers were readily accessible. Since many cities are surrounded by suburbs that are fiscally independent and that would not join in a metropolitan area sales tax, those customers possessing automobiles would gravitate toward outlying communities for their purchases and thus escape the tax. In view of the probable adverse effect on local merchants and the administrative problem, it seems much wiser to have such a tax, if used at all, collected on a state-wide basis and then returned by some sharing system to the local community.<sup>7</sup>

<sup>6</sup> For a general review of these, see *Municipal Nonproperty Taxes*.

<sup>7</sup> Morton, *op. cit.*, p. 189. See also J. F. Due, "The Economic Effects of Local Non-property Taxes," *Public Finance*, vol. 8, no. 4, 1953, pp. 388-396. In large cities some business and utility taxes are less susceptible to these criticisms.

3. Cities may increase revenue by encouraging land uses that will raise the property-tax base. They may, for example, take measures to attract industry or to discourage the ownership of vacant land. Measures of this sort may bring immediate large benefits to satellite communities in the metropolitan areas.<sup>8</sup> Except in the long run, however, they cannot bring to the larger cities the kind of income they need for large-scale housing programs.

4. The cities may get more revenue in grants and shared taxes from the state and Federal governments.

From the depression until very recently, the importance of state and Federal grants ("intergovernmental revenues" in Table 11) tended to increase as a percentage of the total general revenue of local governments. In 1954, the states were giving the cities half as much as they themselves spent. Direct Federal grants to local governments were relatively small: \$300 million in 1954, of which two-thirds was for education.

The further utilization of intergovernmental transfers is, on balance, the most desirable method for financing large-scale housing and redevelopment programs. Such transfers have the danger of weakening local discretion and of leading to the transfer of functions from local governments to the states. But their total impact has been to make local governments stronger, not weaker. And various forms of Federal and state aid have many advantages over locally collected taxes. They avoid most of the diseconomies and dislocations that accompany tax avoidance in small tax-collecting units. They are less expensive administratively. In principle (though, in many states, not in practice) they avoid the regressive features of most local non-

<sup>8</sup> For suggestive analysis that casts doubt on "the rationality of... encouraging industrial and commercial land use for suburbs," see Julius Margolis, "Municipal Fiscal Structure in a Metropolitan Region," *Journal of Political Economy*, vol. 65, no. 3, June, 1957, pp. 225-236.



property taxes. They can be used to overcome gross inequalities in local resources. These advantages would be maximized if Federal and state grant programs were coupled with programs of shared taxes (allocation to localities of a state tax) and local additions to state taxes (locally levied taxes, collected by the state and returned to the locality).

### *The Politics and Economics of Housing*

There is no question that city dwellers could afford to put an end to slums and blight. An added \$25 per capita to the tax burden (with Federal aid for only one-fourth of the cost) would not be intolerable. Nor, for that matter, would the extra taxes for the entire cost, approximately \$33 annually per capita for a decade, according to the calculation for Chicago. If housing and slum clearance were high on the scale of personal and civic preference, such costs would be paid: the taxpayer would buy less gasoline, or smoke less, or even eat less. Compared to many "luxuries," the cost of a thoroughgoing housing program would be slight. There is little doubt, however, that the consumers are likely to prefer the luxuries to the housing program for a long time to come.

Even if local citizens were willing to be taxed more heavily, local governments could not raise revenues of the size needed without producing a number of highly undesirable by-products. Considerations of tax strategies make the ideal of local financing of all local services impossible. To increase property taxes as the principal way of financing large-scale housing programs would, as has been suggested, be self-defeating: it would do more harm than good to housing. To increase other local taxes to the extent necessary would almost everywhere place heavier burdens on the poor than upon the rich, create grave tax inequities, and bring about diseconomic shifts of business and populations.

Some expansion of local property<sup>9</sup> and nonproperty taxes is possible and justified. But if big cities are to undertake housing and urban redevelopment on an adequate scale, it is obvious that continued, and probably greater, reliance on Federal and state grants will be necessary.

Enormous political difficulties face renewal and housing schemes on such a large scale. Support for these schemes might not come from the very groups that in the long run might benefit most from them. For example, dwellers in the Negro slums would see in such programs a great initial dislocation in residential patterns before any longer-run advantages would be apparent. (Negro groups currently lead the opposition to slum clearance projects.) Strong protests could be expected from many sides: from those making profits from present housing patterns; from suburban groups and the residents of the better city neighborhoods who would fear the infiltration of their communities by the dislocated populations; from political leaders of the areas to be rebuilt who would see their constituencies scattered, as well as from leaders of other areas who would fear the influx of new voters into already established constituencies; from taxpayers' organizations; and even, it is likely, from people who might see in such programs an unwarranted interference in the life patterns of the poor. It would be possible to blunt some of the protest. For example, well-planned relocation housing might win the support of Negro groups and those concerned out of humanitarian motives. But such steps would be at the expense of increasing opposition from other sides: in the example given, from residents of the areas into which relocation housing would be put.

<sup>9</sup> There is much to be said for local taxes on housing sufficient to pay for those municipal operating costs which are directly attributable to it; fire protection, for example, ought to be supported by taxes against the property protected. Morton, *op. cit.*, p. 182, suggests that on this basis the property tax should raise about 40 per cent of the local revenue.

The political impediments to large-scale renewal and housing programs are greater than the economic ones.

### *Tax Differentials and the Allocation of Housing*

The tax income of cities is affected by the size of the tax area and by the tax competition of adjacent jurisdictions. An important problem in metropolitan areas arises from inequities in property-tax assessments resulting from the decentralized organization of the tax system. It is claimed that one effect of these inequalities is to allocate housing irrationally among tax jurisdictions. Many specialists believe there is need for a tax jurisdiction which can deal with the revenue sources of the metropolitan area as a whole.

Within each of the metropolitan areas there are wide differences from locality to locality in the rate of real-property taxation. Sometimes the difference is in the relation of assessed valuation to true valuation. Sometimes it is in the *ad valorem* rate. Sometimes it is in both.

In New York, for example, assessments are 98 per cent of true value in Manhattan, 63 per cent in Richmond, and 75 per cent in Queens. In Cook County, Illinois, despite a legal mandate requiring assessments at full value, assessments range from a third or less to nearly full value. In other Illinois counties differences are even greater. In New Jersey there have been gross inequalities in assessments among municipalities and among properties within a single municipality.

According to the New Jersey Commission on State Tax Policy, assessments in 1953 were such as to penalize large urban municipalities (as against small tax districts), lowest value residential and business properties (as against higher value ones), land (as against improvements), real estate in poor neighborhoods (as against that in good ones), houses in tenant-occupied areas (as against houses in owner-occupied

ones), real estate blocks largely built up (as against blocks less completely built up), and old neighborhoods (as against new). The Commission concluded:

A key factor contributing to the unsound condition of the general property tax has been the large number of small taxing districts which are unable, or unwilling, to provide an adequate organization and staffing of the assessor's office. . . .<sup>10</sup>

Tax differentials, whether arising out of inequitable assessments or local differences in *ad valorem* rates, probably do not have all the adverse effects that it is claimed they have upon the housing situation. If, as in New Jersey, two-family houses tend to be less favorably assessed than one-family houses, this tendency is reflected in the relative value of the houses. In other words, tax rates are capitalized; therefore historic inequities cease to have a substantial bearing upon the current situation. Simon offers the following explanation:

To the extent that the tax is capitalized, the persons who own property at the time tax differentials in a metropolitan area come into existence are the persons who benefit or lose by these differentials. The site owners, in the long run, bear the additional burden (or reap the benefit of the lower burden) upon improvements as well as the burden upon land. If there is any initial inequality in this situation, it cannot, because of capitalization, be removed by eliminating the differentials at some later date—indeed, such a step only adds new inequities to the original one. The original owners of property are the losers or gainers by the tax differentials, and all subsequent purchasers are on a plane of equality. Hence, the usual arguments for metropolitan consolidation, and for the elimination of tax differentials on grounds of tax justice, are not substantiated by the theory.<sup>11</sup>

<sup>10</sup> State of New Jersey, Sixth Report of the Commission on State Tax Policy, *The General Property Tax in New Jersey*, Trenton, 1953, pp. xxiv, 149.

<sup>11</sup> Herbert A. Simon, *Fiscal Aspects of Metropolitan Consolidation*, Bureau of Public Administration, Berkeley, Calif., 1943, p. 3.

Simon goes on to point out, however, that there are other grounds than tax justice for eliminating differentials. Unless those differentials reflect social costs, they may encourage the development of less favorable sites and discourage the development of more favorable ones—certainly an undesirable consequence as far as housing is concerned. If, for example, there are two nearby tracts, one admirably suited for housing and the other poorly suited for it, tax differentials might work in such a way as to cause the poorly suited land to be developed and the other not. This would be a misfortune if the differentials did not reflect differences in costs and services.

The creation of tax “pockets” that are extremely poor is another impediment to a satisfactory housing program arising from small jurisdictions for tax assessment and collection. Some fortunate localities are able to provide themselves with a high level of governmental service by levying a relatively low tax rate on relatively low assessed valuations, while others nearby have difficulty providing the minimum of service from a high tax rate on high assessed valuations.

One frequent cause of tax disparity is the presence or absence of industry within the locality. Oak Lawn, the Chicago suburb whose school problem has already been mentioned, is a case in point. Although it has 17,000 residents and will soon have 40,000, the village has only a few small manufacturing firms with a total of 225 workers. It plans to develop a 180-acre tract for additional industry, but it will be five years before sewers can be installed and another five before industry is operating there. Even then the industry will be outside the boundaries of the community’s school district, a separate taxing authority which must find revenue to support the village’s fast-growing schools.

By contrast, there are towns which have been incorporated in such a way as to include an industry so tax-productive that

homeowners need pay little or nothing in taxes. Sometimes incorporations of this kind occur by arrangement between the local people and the managers of the industry: one gets a profitable tax source and the other gets a guarantee that the tax rate will not be high. Such competition for tax sources, it is worth noting in passing, is a frequent cause of the proliferation of local taxing jurisdictions.

Finally, arguments for larger tax jurisdictions often rest on the ground that the central city provides facilities which suburbanites use, but to the support of which they do not contribute. In a study of seventy-six cities of 100,000 or more population and their metropolitan areas, Amos Hawley, using 1940 census data, found that the cost of government in metropolitan centers varies with the size of their satellite populations even more than with the size of the central city itself:

The size of the metropolitan population not included in the corporate limits of the metropolitan center represents a cost factor to the residents of the center. The latter are carrying the financial burden of an elaborate and costly service installation, i.e., the central city, which is used daily by a non-contributing population in some instances more than twice the size of the contributing population. Thus, from the standpoint of fiscal policy alone, a strong case can be made for the establishment of a single metropolitan government. A single taxing and administrative agency would doubtless make for more equitable distribution of costs and more adequate services for the entire metropolitan area.<sup>12</sup>

In reaching his conclusion, Hawley does not seem to take into account the fact that increases in property values accrue largely, although not entirely, to property within the central city and that improvements, by bringing outsiders to the city

<sup>12</sup> Amos H. Hawley, "Metropolitan Population and Municipal Government Expenditures in Central Cities," *The Journal of Social Issues*, vol. 7, nos. 1 and 2, 1951, p. 107.

to trade, create indirect values within the city which the city may capture in part through income and business taxes. However, although they may not be as serious as Hawley and others suppose, such inequities doubtless exist and constitute a sound argument for consolidation or collaboration of tax jurisdictions.<sup>13</sup>

It is apparent that segmented tax jurisdictions, and the resulting inequities of income and service, are genuine impediments to a satisfactory housing program in metropolitan areas. Yet the consequences are not so overwhelming that they lead necessarily to a drastic structural reorganization of metropolitan government. And despite inequities, property—by virtue of its immobility—is uniquely suited to local taxation.

There are many devices, short of a single government for a single metropolitan area, by which some of the present ills of small tax jurisdictions can be at least partially cured. Professional organizations—such as the National Association of Assessing Officers—are bringing greater expertise and uniformity to assessment procedures. Uniform assessment can be introduced by state administrative supervision and, for smaller areas, by utilizing the county as the assessment agency. To mitigate the great disparities of income produced by the accidents of industrial location, experiments with the state assessment and collection of certain classes of property taxes are desirable. Such programs can be coupled with programs of state-collected locally levied taxes, thus decreasing possibilities of tax avoidance, while maintaining local discretion and, incidentally, reducing collection expenses. The states may

<sup>13</sup> This argument for metropolitan fiscal control is discussed in an illuminating way by Richard U. Ratcliff, "Efficiency and the Location of Urban Activities," *The Metropolis in Modern Life*, R. M. Fisher (ed.), Doubleday & Company, Inc., New York, 1955, pp. 133-134. For a recent statement, see Lyle C. Fitch, "Metropolitan Financial Problems," *The Annals*, vol. 314, November, 1957, pp. 66-73.

also return locally shared taxes—as they sometimes allocate state aid—on the basis of need and local tax effort (or on a per capita basis) rather than according to accidents of the place of collection. Again it will be noted that the problems of “horizontal” fragmentation in metropolitan areas can be solved by the “vertical” collaboration of states and localities.



## Chapter 8

# THE POVERTY OF CIVIC LEADERSHIP

The need for better civic leadership is everywhere held to be acute. Specifically, it is said that small cities do not avail themselves of Federal housing aids because they lack personnel who are sensitive to problems of urban blight and who have the skill and time to negotiate for available Federal grants. As for the bigger cities, it is held that the amount and quality of civic leadership available to them is severely reduced because of the political separation of central cities and suburbs.

### *The Need for Expertise in Smaller Cities*

Many small cities carry on housing and redevelopment programs, but the proportion of small cities carrying on such programs is low. As Table 12 shows, cities of over 500,000 spend four times as much per capita for housing and community development as do cities of 25,000 to 50,000. No other category of expenditure varies by size of city to this degree.

There are no doubt many reasons for this discrepancy. People in small cities are perhaps less inclined than people in large ones to see a need for governmental action. Indeed, they may view their problems in categories quite different from those which are common in the large cities: the small city may, for example, be thought of as having a bad block or two

but not as having "slums" or "blight." In the small city, too, the clientele for a publicly aided housing program is not likely to be large enough to call into existence a pressure group which will fight for it. In the metropolis the "housing problem" is an issue important enough to maintain two or three voluntary civic organizations; in the small city it is not. Housing and redevelopment programs, moreover, tend to come in fairly large packages; many cities are too small to require the minimum-sized project which could economically be undertaken. Finally, and perhaps most important, the smaller cities have fewer slums.

TABLE 12: Expenditures per Capita for Housing and Community Redevelopment as Compared with All General Expenditures and with Selected Items, by Size of City, 1956

	<i>All general expenditures</i>	<i>Police</i>	<i>Highways</i>	<i>Sanitation</i>	<i>Fire protection</i>	<i>Libraries</i>	<i>Housing and community redevelopment</i>
1,000,000 or more <sup>a</sup>	\$ 86.46	\$14.73	\$13.90	\$12.01	\$7.25	\$1.71	\$1.79
500,000–1,000,000	122.69	13.86	13.75	11.07	9.58	1.97	1.81
250,000–500,000	96.74	10.68	13.05	13.94	8.58	1.81	.63
100,000–250,000	96.53	9.57	12.75	11.31	8.98	1.62	1.23
50,000–100,000	89.16	8.88	12.08	12.33	8.37	1.32	1.14
25,000– 50,000	84.70	8.49	12.22	11.73	8.10	1.20	.44

<sup>a</sup> Excluding New York.

Source: U.S. Bureau of the Census, *City Government Finances in 1956*, p. 13.

There is evidence, nevertheless, that lack of resources, especially personnel to make application for housing assistance and to administer it when received, is a bottleneck. In discussing the role the state can play in aiding small cities to take advan-

tage of Federal and state housing aids, the head of the New York State Division of Housing remarked that the officials of some small cities are not even aware of the existence of Federal- and state-aid programs. His agency found it necessary to take special steps to inform the small cities of the possibilities open to them and to help them appraise and articulate their needs.

The small city does not ordinarily have a full-time employee who has the time or knowledge necessary for launching a Federally aided housing program. No matter how "streamlined" such programs are made, the procedures necessary to safeguard all interests involved are too complex for a part-time or amateur official to master. A "workable program" under the Housing Act of 1954, for example, calls for evidence from a community that it is working toward seven "essential objectives": housing code and ordinance enforcement, general community planning, neighborhood analysis, administrative efficiency, local financial participation, provision of relocation housing for families displaced by clearance, and citizen support. These are only general headings, and behind each there exists a more or less elaborate set of specific requirements.

New York has probably done more than any other state to help small cities meet these requirements. The State Division of Housing supplies technical service and advice to those communities requiring them. The Division maintains for this purpose a "pool" of specialists including architects, planners, economists, zoning specialists, sewage and water-supply technicians, and others. These technicians serve as consultants upon request and also as "task forces" to help cities prepare programs. State employees also advise and assist private parties engaged in the rehabilitation phase of urban-renewal programs. Because the Federal government accepts the value of this state aid as part of the required matching money, the

local community in New York State is sometimes able to get four rather than the normal two Federal dollars for each of its own dollars invested.

The state is, of course, only one of many instrumentalities which may be of use to the small city in preparing a housing program. Others include the Federal government itself, the county, the neighboring large city, the regional association of small cities, the private professional association, and business organizations.

The program, previously described, under which the Federal government makes grants to state and local bodies to encourage planning is an important example of one type of Federal assistance. Forty-seven small cities in Tennessee, for example, are receiving planning assistance from the Tennessee State Planning Commission, which has enlarged its program with Federal grants totaling \$279,000 from the Urban Renewal Administration. In the Detroit area regional planning has been aided by grants of \$173,000, a portion of which has aided smaller municipalities to prepare "workable programs."

Private institutions have also helped small cities to initiate housing programs. Dartmouth College contributed \$2,500 and expert advice so that the New Hampshire Planning Commission might aid six towns to qualify for Federal aid. The Henry J. Kaiser organization helped get a housing program underway in Oakland, California, by lending a major executive to a citizens' organization. Chambers of commerce and professional organizations in many places have done the same thing. Two small communities within the metropolitan region of Chicago joined forces to employ an architectural firm to assist them in their planning.

In many places local redevelopment or housing authorities, if assigned responsibility for urban renewals on a metropolitan-area basis, could serve as a central pool of the specialized skills

required. Small cities might contract with the authority to prepare applications on their behalf and even to administer housing programs after assistance had been granted.

### *"Social Absenteeism" in the Central City*

A common complaint of officials in the central cities is that business and professional leaders, who have the outlook, skill, and prestige to play leading public-service roles, do not do so because they live in the suburbs. The suburbanites fail to identify themselves with the city or, worse, identify with interests opposed to it. Lack of civic leadership, it is claimed, is particularly acute with respect to public housing and renewal and redevelopment agencies, the commissioners of which are usually required by law to be residents of the area under the jurisdiction of the agency.

A Public Administration Service report on the government of Miami carried this comment:

The central city remains the central city, and it must bear most of the cost of central city services. Nevertheless its voice in metropolitan affairs is weakened by its inability to reach with its tax structure and command the allegiance of the suburban resident. People who, by reason of their prominence in business and economic activity and their fundamental stake in the central city's future, might be expected to play an important role in civic affairs exclude themselves from participation in political life by residing outside the jurisdiction that most needs their interest and support. Central-city politics is left to the professional, whose supporters in many of our older cities have turned out primarily to be persons in the lower income groups, living in the older congested urban areas. It then becomes increasingly difficult to deal effectively on a political basis with major urban problems, for the electorate of the central city has ceased to be representative of the community as a whole.<sup>1</sup>

<sup>1</sup> *The Government of Metropolitan Miami*, Public Administration Service, Chicago, 1954, pp. 31-32.

There is no doubt that some central cities have been all but emptied of the rich and highly educated. "Social absenteeism"—lack of leaders who will speak for the public interest—is a phenomenon about which students of urban life are becoming increasingly concerned.<sup>2</sup> It is patently untrue, however, that the suburban upper class takes no interest in the affairs of the central city. Inspection of the directorship of many unofficial metropolitan housing and planning councils, for example, will show that men and women who reside in the suburbs are playing leading parts in efforts to solve housing and other problems in the central cities. How much more of this participation there might be if suburbs were not separate municipalities is, of course, impossible to say. Certainly it might be considerable.

A serious problem does exist where the law limits eligibility on official housing and redevelopment boards to residents of the city. This makes participation in an official capacity impossible even by those suburbanites who are most concerned. Such laws are injurious to the people whom they are supposed to protect in the same way that tariffs are injurious: they require the people of the central city to put up with inferior leadership on the grounds that otherwise "outsiders" will be benefited. Such self-denying ordinances are likely to be far more harmful than helpful.

### *Leadership in the Neighborhood*

Another problem of leadership is not frequently mentioned, but it is of the first importance. This is the need for leadership of neighborhood groups.

Many conspicuous successes in urban-renewal efforts are

<sup>2</sup> Morris Janowitz, *The Community Press in an Urban Setting*, The Free Press, Glencoe, Ill., 1952, p. 214.

successes of neighborhood groups.<sup>3</sup> These include the spectacular slum-clearance and redevelopment programs around the Illinois Institute of Technology and Michael Reese Hospital in Chicago, the urban-renewal scheme in Chicago's Hyde Park-Kenwood area, and New York's Morningside Heights project. In each of these cases, a group of citizens, with the support of one or more private institutions, defined the need, established the program, and pushed it through to completion.

Such neighborhood groups are necessary, first of all, because of the very complexity of problems faced. In urban renewal, for example, there exist three bodies (Federal, state, and local) of law; perhaps half a dozen separate administrative bodies to deal with; a tortuous political path to follow; neighborhood sentiment of all shades of friendliness and antagonism; and, always, apathy and disinterest on the part of many. All this presents a relatively impenetrable façade. How does one begin? Who must shove whom? How can a public subsidy be obtained? Where are the bottlenecks? Who must solicit support from political leader A in order to silence political leader B? The complexity is such that individuals working alone are relatively helpless. They must have financial backing, organization, and resolute leadership.

Virtually every scheme for rebuilding the interior of cities of metropolitan areas (as well as many other housing and

<sup>3</sup> What a strong, large-city voluntary association can do to facilitate urban renewal is shown by the example of the Metropolitan Housing and Planning Council in the Chicago area. The Council employed the former regional director of community facilities of a Federal housing agency to assist Chicago neighborhoods in the complexities of renewal. A Center for Neighborhood Renewal helps neighborhood groups with technical problems, keeps "the city-wide viewpoint" before the neighborhood groups, and helps bring the local groups into support of a general program for renewal. Twenty-five Chicago neighborhoods are organized for renewal. The Council's efforts have been supported by the Wieboldt and Sears-Roebuck foundations, both of Chicago, and the Emil J. Schwartzhaupt Foundation of New York.

neighborhood facility programs) can profit by the existence of an organized neighborhood group, aggressively directed. The need for funds will usually be such that the nucleus of the group must be an institution, such as a hospital, a church or a college, or a commercial organization, such as a factory or a department store. With this kind of institutional support, individuals, block groups, and other community forces can make themselves fully effective. There is virtually no place in the metropolitan area—whether central city or suburbs—where such a combination of institutional, community, and individual effort cannot be found and activated.

Many citizens' groups concerned with housing produce little impact because of the timidity or inexperience of those who lead them. Others would do more if their leaders were better trained. As one businessman, a heavy contributor to an unsuccessful neighborhood redevelopment plan, said to an interviewer, "The reason we have failed, while the \_\_\_\_\_ scheme has been so successful, is simple: we haven't been able to find a good civic s.o.b. to head our program."

Resources devoted to developing a training program for aggressive leadership for housing action would produce important results. The goal of such a program would be to increase the competence and effectiveness of those already in the field and, of equal importance, to provide a pool of qualified professional leaders for the many groups that now exist without such leadership and for the even greater number that would be organized if such leadership were available.



PART THREE  
REMEDIES



## Chapter 9

# CURRENT PROPOSALS FOR GOVERNMENTAL REORGANIZATION

The various schemes, tried or proposed, for the improvement of metropolitan organization may conveniently be grouped under the following headings: annexation of fringe areas by a central city; federation of local governments to form a new metropolitan government; transfer of functions from local governments to the county to form an "urban county"; organization of special-function districts; cooperation among local governments; and an enlarged role for states in the metropolitan area. Of primary interest here are the probable effects of such measures upon housing. Yet it should not be forgotten that the case for or against any plan of organization generally rests upon broader grounds.

### *Annexation*

Throughout most of the nation's history, cities have grown by the absorption of adjoining territory. Between the turn of the century and World War II, however, fringe residents in most states succeeded in putting almost insuperable legal obstacles in the way of annexation (usually they obtained the right to veto it by a simple majority), and accordingly annexation declined to the point of insignificance. In recent years

there has been a revival of annexation: about one-half of the central cities of metropolitan areas have annexed some territory since 1948. The rate seems to be increasing, with the largest number of postwar annexations, including the largest total territory, taking place in the last year reported (1956). For the most part the areas involved have been small, however, and almost all of them were unincorporated at the time of annexation. In the places where large annexations have recently occurred, residents of the annexed areas have rarely possessed the right of veto. There is little prospect that annexation can even begin to keep pace with the growth of the fringe areas.<sup>1</sup>

In general, students of metropolitan organization favor making it easier for central cities to annex. They look with favor upon the procedures used in Texas, where the state constitution authorizes voters in cities of more than 5,000 to become home-rule cities and to annex adjacent territory by unilateral action (except that incorporated places cannot be annexed without their consent), and in Virginia, where circuit-court judges may make boundary readjustments in accordance with standards specified by the legislature. The usefulness of easy annexation is that it permits the central city to impose zoning, subdivision, and other controls on areas which, if left unregulated, may prove costly or otherwise objectionable to the people of the central city.

They [annexing cities] have brought improvements in jerry-built developments that had inadequate sanitation, mud-rut streets in incompletd subdivisions, and intermixtures of industrial, commercial,

<sup>1</sup> For detailed discussion see *The States and the Metropolitan Problem*, Council of State Governments, Chicago, 1956, pp. 25-33. The large annexations since 1948 have been made by Atlanta, Dallas, Houston, and San Antonio, Houston's 1956 action taking in 188 square miles. California and Texas cities lead in both the number of annexations and the amount of territory affected. Some Southern cities have recently taken to annexation as a way of offsetting the political power of the newly enfranchised Negroes.

and residential uses. They have eliminated havens for vice and gambling and wiped out fire hazards that had existed at the pre-annexation borders. Thus they have eradicated many shortcomings of the fringe that previously spilled over the official city limits and harassed city residents.<sup>2</sup>

Another advantage often seen in easy annexation is that it prevents the proliferation of local governments.

Annexation also has been important because it has contributed to preventing further increase in governmental complexity and to reducing existing complexities in particular sections of metropolitan areas. By bringing unincorporated territory within the boundaries of a city, it has removed the opportunity for small cities and small single-purpose special districts to be established.<sup>3</sup>

There is a tendency on the part of those who concern themselves with such matters to underrate the importance of the satisfactions people find in living in a town which has an identity and a status apart from that of the central city. If a suburbanite takes satisfaction in being able to exercise influence over the selection of school teachers, or to call the local chief of police by his first name, there may be good reason for keeping separate the school systems and police forces of central city and suburbs, even at some cost in efficiency. The resistance that fringe dwellers almost always make to attempts by the central city to annex them indicates that such values are not inconsiderable.

State laws ought to be such as to make annexation easy when both the annexor and the annexee desire it. In other cases the burden of proof should be upon the would-be annexor. What should be avoided is a situation in which all local independence of action is lost. Yet to require separate majorities in both annexed and annexing areas places almost

<sup>2</sup> *Ibid.*, p. 33.

<sup>3</sup> *Ibid.*

insuperable obstacles in the way of establishing larger jurisdictions.

Where, in such cases, does democracy lie? In the electorate of a small suburb or in the larger electorate of the whole area? Perhaps the Virginia system of judicial examination—or some more flexible administrative alternative to that system—is deserving of wider support. The crucial question for decision is whether the larger public has to bear unreasonable costs as a consequence of separateness. If the answer to this question is “no,” there seems to be no justification for forced annexations.

Whatever the rights and wrongs of the matter, the political fact is that annexation, in the foreseeable future, cannot be the method of achieving governments of extensive jurisdiction in most metropolitan areas.

### *Federation of Local Governments* ~

Federation of municipalities to form a new metropolitan government has recently taken place in Toronto. There, in 1953, a provincial-appointed administrative tribunal recommended (and the provincial premier and legislature approved) a plan for the federation of the thirteen municipalities of the metropolitan area into the Municipality of Metropolitan Toronto. The action was taken in the face of opposition of the smaller municipalities.

Metropolitan Toronto has powers relating to water supply, sewage disposal, arterial highways, certain health and welfare services, housing and redevelopment, metropolitan parks, and metropolitan planning. It also appoints the governing body of the Toronto Transit Commission, allocates funds for school sites and construction, regulates bond issues of member municipalities, sets a uniform assessment rate for both metropolitan and local taxation, and manages certain other activities.

Among the important functions retained by the member municipalities are law enforcement, fire protection, most public health services, direct public relief, libraries, and building regulations. Discretion to go beyond the "Metro" programs is also left to the member municipalities in a number of fields. The metropolitan government may adopt an area-wide plan which, if approved by the appropriate provincial minister, becomes binding upon the member municipalities. The governing body of the new unit consists of twelve elected officials from the City of Toronto and the mayors of the twelve other municipalities. The governing body chooses a chief executive annually.

Although the idea of metropolitan federalism has been the subject of much interest in the United States, few attempts have been made to adapt it to specific metropolitan areas, and none has been successful. Failures have been recorded, since 1920, in Allegheny County (Pittsburgh), St. Louis, San Francisco-San Mateo County, and Boston. The plan for a new metropolitan government for Dade County (Miami), Florida, has many aspects of a federal plan.

### *The Urban County*

The more or less complete merger of municipalities with a county government has been of great historical importance. New Orleans, Boston, Philadelphia, and New York are products of this kind of city-county consolidation. Few present-day proposals call for such a wholesale merger. The last such action, the only one so far in the twentieth century, was completed in 1949 between the Parish (county) and City of Baton Rouge, following an enabling constitutional amendment, the drafting of a new charter, and the public approval of that charter by a vote of the entire parish. The legal identities of both city and parish were preserved, but there is a firm inter-

locking, and a single mayor-president is the chief executive officer of the combined governments. Differential tax rates are provided for urban, rural, and industrial areas—a provision that was crucial in gaining public support outside the city for the plan.

A number of other proposed county-city consolidations have recently failed to gain constitutional or legislative authorization, have been rejected by the voters in state-wide elections, or have been defeated in local elections. The Warwick County–Newport News–Elizabeth City County (Virginia) election of 1950 needed five separate majorities and failed when it received only two.

The growth of the urban-county idea has not depended upon successes of outright city-county consolidations. In addition, there has been a piecemeal transfer of individual functions from other local governments to counties; some counties have expanded from the status of rural governments and administrative agents of the states to general governments performing an array of urban activities in unincorporated urban areas; in other cases, counties have been reorganized to perform a number of urban functions in metropolitan areas. Thus, in 1947, Erie County (Buffalo) was given a number of urban functions, including health, a library system, and probation work. A somewhat similar development has taken place in Milwaukee. In a number of states other transfers of specific functions have been made.

An especially interesting development (it is hard to say whether it should be called city-county consolidation, federation, or county reorganization, since it involves all three) has taken place in Dade County (Miami), Florida. In 1956 the voters of Florida approved a constitutional amendment making it possible for Dade County to have a home-rule charter. The charter, adopted in May, 1957, vests legislative powers



in a board of eleven county commissioners, of whom five are elected at large, five by districts, and one from the City of Miami. Administration is in the hands of a county manager. The charter permits the transfer to the county of any functions possessed by the local governments within it and establishes county minimum standards for public services.

At the end of 1957 a county manager was on the job in Dade County, twenty proposed ordinances to set up various departments of the new government were being drafted (these would be acted upon by the commissioners after public hearings), and water, storm drainage, and sewage-disposal studies were underway. The county had entered into one important contract with the City of Miami: under the contract the city agreed to do traffic engineering for the entire metropolitan area. Although no functions had yet been transferred from local governments to the county, it was generally assumed that the county, which already operated the port and the airport, would ultimately have exclusive jurisdiction with regard to planning, expressways, air, water, rail- and bus-terminal facilities, fire and police protection, clearing and rehabilitation of slums, and construction of integrated water, sanitary-sewerage, and surface-drainage systems. Five-man boards appointed for each of four districts would decide on zoning changes both inside and outside city limits, but if a board's decision downgraded the zoning within a city that city's council could veto the action. Appeals from decisions of the district boards would be heard by an appeal board; further appeals would go to Circuit Court. Cities could pass ordinances raising their own zoning ordinances to meet those of a new metropolitan zoning code or could abandon their own regulations and allow the metropolitan code to apply. A metropolitan Public Safety Department would be responsible for most of the law enforcement of all traffic laws inside and outside

cities. It would also provide fire protection for unincorporated areas, maintain a civil defense organization, and provide county-wide emergency ambulance service. A new Public Service Department would be responsible for garbage and trash collection and mosquito control.<sup>4</sup>

A somewhat comparable transfer of municipal functions to a county is pending in Allegheny County (Pittsburgh). A report by a Metropolitan Study Commission, which was created by the legislature in 1951, called for the adoption of a home-rule urban-county charter, the granting to the county of an exclusive right to collect property taxes, and the establishment by the county of minimum standards for subdivision control, building regulation, and sanitary-sewerage construction. The Commission also recommended unification of thirty-nine mass transit systems into a county transit authority, establishment of a county health department, centralized purchasing, and a county library system. In addition it recommended prohibiting new incorporations of municipalities within the county as well as measures to encourage annexation of urbanized areas by adjacent municipalities. A constitutional amendment will have to be passed before the plan can be put into effect.

As previously noted, each of more than one hundred metropolitan areas lies within a single county, and a single county encompasses a large segment of each of most of the other areas. The transformation of counties to governments of general area-wide competence would thus go a long way toward

<sup>4</sup> The division of functions was originally recommended by the Public Administration Service in its report, *The Government of Metropolitan Miami*, Chicago, 1954, pp. 89-90. State legislative action subsequently altered a number of details in the plan. As of May, 1958, the future of the Dade County experiment was in doubt. It was under strong attack from a number of sources, including the Dade County League of Municipalities. Several court challenges and at least one charter amendment were pending.

genuine metropolitan government in most places. Some, if not spectacular, progress has been made in a number of cases, and further developments along this line seem promising.

### *Special-function Districts*

The independent school district is the prototype of what has recently become one of the most widely used means of coping with problems of metropolitan organization. In more than half of the states and in a quarter of the metropolitan areas such special-function districts—some of them with the power to tax or issue revenue bonds—have been established to deal with a wide range of matters.<sup>5</sup> Most often metropolitan special-function districts deal with ports, airports, water, sewage, housing, and parks. There is, however, hardly any activity of more than purely local importance which is not somewhere in the hands of a special district. The Port of New York Authority, the Chicago Transit Authority, and the Metropolitan Water District of Southern California are all metropolitan special-function districts.

Housing and redevelopment authorities are special districts; few of them, however, operate on a metropolitan-wide basis. Sometimes their jurisdiction extends two or three miles beyond the borders of the single city they are set up to serve. County housing authorities do not ordinarily serve the central city. For example, the Chicago Housing Authority and the Cook County Housing Authority, two independent bodies concerned with the same function in the same metropolitan area, have separate jurisdictions, neither of which is area-wide.

In some but not all metropolitan areas the creation of special-function districts decreases the power of the central city vis-à-

<sup>5</sup> See John C. Bollens, *Special District Governments in the United States*, University of California Press, Berkeley, 1957.

vis its suburban ring. The central cities are sometimes able to use their control over some essential facility, usually water or waste disposal, to enforce some degree of order in the suburbs. Milwaukee and Salt Lake City, for example, are in a good bargaining position because they can give or withhold the water without which fringe development is difficult or impossible. If control over such essential services passes into the hands of a metropolitan district, however, the city's powers in the suburbs are diminished.

One reason for the wide acceptance of the metropolitan district is that voters will approve it when they will not approve any other plan of organizational change. Aside from this, the special district has other advantages: it is a means by which local governments can escape tax and debt limits; it is easy to fit the boundaries of the district to the function that is to be performed (thus it is indispensable when more than one state is involved); and it is widely, though incorrectly, claimed that the special district may take the function with which it deals "out of politics."

Public-administration specialists, many of whom favor "one government" proposals, generally view the creation of special-function districts as a mixed blessing: although they think it imperative that organization be created to deal with urgent problems, they fear that such districts will increase the clutter of jurisdictions in the metropolitan areas and hamper inter-governmental cooperation and coordinated planning.<sup>6</sup> Some, however, believe that in the largest metropolitan regions some essential problems can be dealt with most effectively by one or two districts. Gulick, for example, has recommended that two functions in the New York metropolitan area—transportation and water- and waste-disposal—be handled in this

<sup>6</sup> See for example the discussion in *The States and the Metropolitan Problem*, pp. 117-123.

manner.<sup>7</sup> In the long run, one-purpose special-district governments have the potentiality of developing into multipurpose governments.

The case against putting housing and renewal functions in the hands of independent metropolitan districts or, indeed, independent less-than-metropolitan-area districts, is compelling. If they are to amount to anything, housing programs must have powerful political backing. They cannot have it if they live in a kind of political no man's land. Experience in many cities—Chicago is a good example—has shown that because they lie outside the structure of city government the housing authorities are neither responsive to the leadership and direction of elected officials nor able to make their own way politically without the assistance of those officials.<sup>8</sup> One does not “escape politics” by establishing special authorities. The more likely result is to produce political irresponsibility or to doom a venture to political ineffectiveness, or both, exceptions notwithstanding.

### *Cooperation and Joint Efforts*

In many places counties and central cities are selling (or otherwise providing) services either to nearby governments or directly to consumers. In other places two or more governmental units together own and operate a facility or jointly provide a service. Cooperation of this kind is nowhere regarded as a solution to the most general problems of the metropolitan areas, but it is often a way of meeting—on an intercity if not a metropolitan-area basis—some needs which could not otherwise be met within the existing governmental structure.

<sup>7</sup> Luther Gulick, *Metropolis in the Making*, Regional Plan Association, New York, 1955, p. 16. In his 1948 study John C. Bollens recommended one or more metropolitan special districts for the San Francisco area.

<sup>8</sup> See the account by Meyerson and Banfield of the Chicago Housing Authority in *Politics, Planning and the Public Interest*.

Water supply, sewage disposal, fire protection, and police radio communications are the services most frequently performed for suburbs by counties or by central cities. In 1951, central cities were supplying water to outlying areas in sixty-eight places, disposing of sewage in forty-four, and providing emergency fire protection and police radio communication in almost all.<sup>9</sup>

Los Angeles is the outstanding example of a county which provides a wide variety of services to cities. The independent municipality of Lakewood, for example, purchases twenty-three major public services from the county. During the fiscal year 1955-56 it was anticipated that over 550 types of service would be performed for various cities by Los Angeles County. On the average these cities received twelve services each, the most common being assessment and collection of property taxes.<sup>10</sup>

In other places, examples can be found of joint action by two or more municipalities with regard to almost every local government function: cities not uncommonly share purchasing agents, parks, bridges, public buildings, hospitals, fire departments, police radio facilities, airports, garbage-disposal plants, libraries, and personnel bureaus.<sup>11</sup> For example, eleven suburban council-manager-type communities north of Detroit, ranging in population from 3,500 to 60,000, share the following functions:

A garbage and rubbish authority; a water authority (this and the garbage-rubbish authority are operated by a single engineer-manager); fire protection on a mutual aid basis; a jointly bonded and operated

<sup>9</sup> Betty Tableman, *Governmental Organization in Metropolitan Areas*, University of Michigan Press, Ann Arbor, 1951.

<sup>10</sup> Henry Reining, Jr., and Frank P. Sherwood, *Government Alternatives in Paramount, California*, report issued by the School of Public Administration, University of Southern California, Los Angeles, April, 1956, p. 25.

<sup>11</sup> *Ibid.*

sewer to Detroit; a hospital jointly financed with tax and other monies; small services such as dog wardens and youth centers (some, but not all, communities share these services).<sup>12</sup>

In the Chicago area ten suburbs lying along a commuter's railroad have maintained an active association since 1940. The village president, attorney, and manager or superintendent of each is a member of the West Suburban Village Officials Association, which meets bimonthly. The Association has arranged a mutual fire-protection pact and is currently working on problems involving the use of Chicago water, uniform zoning, and traffic regulation.<sup>13</sup>

With respect to housing, excellent opportunities exist for cooperation between suburbs and counties or central cities, as well as among the suburbs themselves. Where state laws permit, central cities can make comprehensive plans on a contractual basis for the outlying municipalities, develop plans for Federally aided public housing or urban-renewal projects, or train local personnel to plan or manage such undertakings. Similarly, the central cities can provide building and housing inspection (or recruitment and training of inspectors) on a contract basis.

Where the central cities cannot or will not perform these services, the smaller communities can work together to provide them jointly. Such cooperation appears to be particularly feasible where several similarly situated suburbs are in need of zoning, subdivision control, and building regulation. Not only may savings be had from securing these services jointly, but plans made and administered by a common body are better integrated with each other than if made and enforced separately. Further, the local community which enters into

<sup>12</sup> D. M. Oakes, "Intercity Cooperation Improves Services," *Public Management*, vol. 35, May, 1953, pp. 100-101.

<sup>13</sup> Chicago *Sun Times*, July 5, 1956.

a contract for such services with the county, central city, or a group of other communities is free to end the arrangement when it wishes. Cooperative organization is thus not subject to the objection that it diminishes the freedom of the local government.

Though no cure-all for the problems of metropolitan government, cooperative efforts can go a long way toward mitigating the effects of structural awkwardness. What starts out piecemeal may develop into some approximation of genuine metropolitan government, as the case of Los Angeles County indicates. This tendency can be maximized when the larger government offers services in one field only if promised cooperation in others.

The case of Grand Rapids, Michigan, suggests what may be accomplished by a central city which has services to give or withhold. After study of the metropolitan-area problem by its planning commission and after consultation with the Federal Housing Administration and with various mortgage firms, the city (acting through an unofficial body, The Metropolitan Grand Rapids Development Association) agreed with its suburbs on a definite line to which city services would be extended and beyond which high-density development would not be permitted. Within the line, uniform subdivision regulations were established on such a basis as to keep to a minimum the cost of water and sewer extensions. The city then made its services available within the agreed-upon zone.<sup>14</sup>

Joint efforts of all sorts should be encouraged. One source of encouragement is through unofficial professional organizations. Another is through more permissive state laws. Although legislatures in most states have been willing to authorize joint action with respect to particular services, few have given

<sup>14</sup> Betty Tableman, "How Cities Can Lick the Fringe Problem," *Public Management*, vol. 34, March, 1952, pp. 50-54.



broad grants of power to local governments for the performance jointly of any and all public services. An exception is the Wisconsin legislature. Its 1939 law is a model for other states:

...any city, village, town, county or school district may, by the action of the governing body thereof, enter into an agreement with any other such governmental unit for the joint or cooperative exercise of any power or duty required or authorized by statute, and as part of such agreement may provide a plan for prorating any expenditure involved.<sup>15</sup>

### *Enlarged Role for States*

The states are the legal masters of local governments and far superior to localities in their ability to raise revenues. This dual dominance gives the states primary responsibility for establishing a framework for well-ordered local affairs. With respect to metropolitan areas, the states have not only the obligation to free localities to meet intergovernmental structural problems but also have an important positive role to play.<sup>16</sup> The states can do much while still preserving sensitivity for local discretion.

In some cases the states themselves directly function as metropolitan governments. They have so acted with respect to the planning of many highways, and not uncommonly with regard to other matters as well: in the San Francisco Bay area, for example, the state acted as a metropolitan government in building and operating the San Francisco–Oakland Bay Bridge. Where metropolitan problems cut across state lines, the responsibility of the states to find solutions is even clearer. Here the cooperation of the Federal government is also requisite.<sup>17</sup>

<sup>15</sup> W. S. Carpenter, *Problems in Service Levels*, Princeton University Press, Princeton, N.J., 1940, p. 40.

<sup>16</sup> See *The States and the Metropolitan Problem*, part III.

<sup>17</sup> See Daniel R. Grant, "The Government of Inter-state Metropolitan Areas," *The Western Political Quarterly*, vol. 8, March, 1955, pp. 90-107.

Although the powers of state government are very great and those of their electorates even greater, there exist some important legal obstacles to effective state action with respect to metropolitan problems. For example, many state constitutions prohibit the state from extending credit to local governments. Housing programs, particularly, could advantageously be backed by credit from the states. Such constitutional limits upon state power, which exist in other areas, place heavy restrictions upon needed state action and, in the long run, threaten the state's role within the Federal system. The credit power, for example, could be of first importance at a time of depression. The absence of such a power is a direct invitation for the Federal government to assume new urban responsibilities, a development lamented by state officials.

Even constitutional limitations can be overcome by political action and, in many areas of importance to metropolitan housing, needed state activities are possible through legislation. A number of suggestions are made in the concluding chapter.

## Chapter 10

# CONCLUSIONS

The final chapter is in three parts. The first sets forth some general conclusions concerning the nature of the metropolitan-government problem as it affects housing. These form a background for the book's principal recommendation on how housing in metropolitan areas may be improved through structural changes in metropolitan government. A final section brings together in summary form other suggestions bearing upon the problem.

### *General Perspective: Metropolitan Reorganization and Housing*

The housing problem will not be solved by changes in the governmental structure of metropolitan areas. Such changes will not eliminate slums or neighborhood obsolescence, nor will they alter the racial distribution within cities and between central cities and suburbs. Changes in governmental policies—laws to subsidize the building of homes in central cities, for example—would do more to change the housing situation than any conceivable structural change at the metropolitan level. So would widespread changes in patterns of consumer behavior of a kind that would give primacy to housing rather than other goods on the market.

The worst housing problems exist within the central cities and to a lesser extent within the satellite cities in the suburban

ring. Those who whistle up schemes for the integration of metropolitan governments whistle the wrong tune as far as these problems are concerned. Though sufficient evidence to prove the point is not available, it is probably true that adequate internal organization in cities, with vigorous political support and professional staffing, can accomplish as much for housing and urban renewal as can be accomplished through feasible proposals for new metropolitan-wide organizations.

This is not to say that the structure of government in metropolitan areas is inconsequential with respect to housing. That it is less important than other factors does not mean that it is unimportant.

Though the nature of this book has focused attention on the structure of government, not on the content of policy, the very analysis of structure has highlighted a number of policy considerations.

VI (We have been impressed over and over again that housing and urban renewal in metropolitan areas are not problems amenable to change by local action alone, even if "local action" is defined in the broadest terms. Great urban problems are also great national problems; and the full pooling of resources, not least of all fiscal resources, is necessary for their solution. Overcoming impediments to satisfactory housing at the local level involves the entire Federal system. A failure to conceive the problem in these terms is an invitation to failure in important substantive activities.

To take one striking example, there is ominous significance in the population movements that threaten to make many central cities into lower-class ethnic islands. These islands exist because the people who live in them have low incomes and because they are excluded, frequently by illegal means, from other sections of the cities and from the suburbs. The consequences of this *de facto* segregation for the cultural, political,

and business life of the nation are deleterious. Clearly no solution to this problem would come from the structural reform of integrating the governments of central cities and suburbs; nor is it possible to imagine any local government or combination of local governments taking effective action with their own resources to achieve a reversal of the present population distributions. What is needed is a whole range of measures to make central cities more attractive to upper- and middle-class whites and to allow nonwhites to live where they can afford to live and want to live. Such measures can be achieved only through a major effort of all levels of government and must include large-scale financing, public education, nondiscrimination laws, and experimentation with new programs of urban renewal and relocation housing.

In many discussions of metropolitan organization, there is a strong bias toward simplicity, uniformity, and symmetry of structure. It is often taken for granted that the presence of a large number of independent local governments in a single area means waste and duplication. That there may be even administrative advantages in decentralization is often overlooked entirely. Beyond problems of efficiency and economy, issues of community independence, sociability, and status are involved. Technical considerations concerning optimum areas for given services must compete for priority with political issues concerning the best organization for the public control of public officials. Issues of philosophy intrude: when does self-government in one locality impede self-government in another? Values of local control compete with values of area efficiency. A consideration of what is desirable in the way of organization ought to take into account the full range of problems. Intangibles—for example, the suburbanite's satisfaction in remaining apart from the central city—should be accorded some value. If a careful accounting is made with all

relevant factors taken into consideration, the present "Balkanization" of government in the metropolitan areas may not be as undesirable as it is often made to appear. At any rate, arguments in favor of metropolitan integration on the grounds of administrative efficiency must compete with other arguments that favor independence and separateness.

When the needed distinction is made between "problems which exist in metropolitan areas" and "problems which exist by virtue of the inadequacies of governmental structure in the metropolitan areas," the latter are relatively few. Transportation is probably the most common and the most pressing of the real metropolitan-area problems. Other common and important problems are air-pollution control and civil defense, and in some areas, water supply and waste disposal. Opinion, rather than technical considerations, may add other functions to this list. Even the few named do not require the same jurisdiction, a fact which makes it extremely difficult to say what the boundaries of an all-purpose general government should be. Moreover, there is no reason in technology why most of these functions cannot be carried on effectively by metropolitan governments which do not have general jurisdiction, or by several governments acting collaboratively.

(Deep and persistent political conflicts divide the populations of most metropolitan areas. The conflict between the central city and the suburban ring—which also is a conflict between lower-classes and middle-classes and between Negroes and whites—in most places rules out any immediate possibility of "one local government for one local area.") The sharpness of these conflicts makes it doubtful in some places whether metropolitan-area government would be immediately desirable even if it were possible. Though the argument for larger areas in the long run is a persuasive one, it is hard to say whether short-run conflicts are better managed if the parties to them

are members of the same or of different political communities. But this question is not a practical one under present circumstances. The fact is that sweeping programs of governmental integration will be politically impossible in most metropolitan areas for a long time to come. Those who push for perfectionist schemes can do the cause of reform more harm than good. The very energy poured into allegedly "ideal" solutions diverts attention from less symmetrical but no less desirable steps. And in exciting opposition to grandiose schemes of complete integration, proponents of such schemes also stimulate opposition to the lesser alternatives.

Where strong political conflicts either do not exist or can be overcome, there may be progress toward genuine area-wide government. Large-scale annexations of territory to the central cities are least likely. Some form of urban federalism or some variant of city-county consolidation may be practicable. Of the latter, the "urban-county" idea is probably most feasible in the smaller metropolitan areas because it is the most flexible. The essence of this plan is the transfer of area-wide functions to the county and the transformation of the county into a government of general competence. State action to facilitate such transfers and to establish county structure as an effective organization for policymaking and administration is essential if the urban-county plan is to have a chance of substantial success.

If the twin questions of what is desirable and what is possible in metropolitan organization are considered in all their complexity, it will be apparent that no single scheme of reform will be applicable everywhere. Every metropolitan area presents a special case, and only detailed consideration of the intricacies and idiosyncrasies of a specific local situation can produce a "plan" that is both desirable and feasible. Recommendations found in reports like this one have their uses,

but they are no substitute for the arduous process of local study, discussion, negotiation, and compromise.

### *A "Model" for Action*

The considerations outlined above lead to a "model" for action: a description in general terms of the means by which housing may be improved through changes in the structure of government in a "typical"—and therefore nonexistent—metropolitan area. The aim of the plan is to meet genuine area-wide housing needs with area-wide solutions while maintaining personal and community discretion. In the light of political and social obstacles to sweeping plans of governmental integration, the model places emphasis upon collaboration and the exchange of contractual services among independent governmental units. From the start, this creates a *de facto* local confederation; in the long run it looks forward to a scheme of local federalism.

The impulse for governmental reorganization affecting housing may come for reasons only indirectly related to housing: as a consequence of new transportation needs, or civil defense, or flood control, for example. Furthermore, the persons responsible for initiating structural change may be variously situated. They may be leaders of civic groups, powerful businessmen, members of a state commission, or state legislators. Whatever the immediate causes of reorganization and whoever the initiators, success of any plan will depend crucially upon the mayor of the central city. Even where others play the leading role, the mayor's acquiescence is mandatory. Where the central-city mayor opposes reorganization, it will fail. Where he supports it fully, chances for success are at their best. The central-city mayor is therefore the leading figure in the model.

What gives the central-city mayor his central role? The



core city has more at stake in truly metropolitan matters than do the other governments. The biggest of the local governments, it is more likely to have the resources—financial, technical, and political—to initiate and carry on effective action. Moreover the mayor of the central city has a constituency large enough and diverse enough in its interests to permit him to view matters in metropolitan scale. A portion of this constituency, including heavy investors in downtown business districts, may demand rather than merely permit this course of action.

The mayor and his associates are therefore able to play the part of regional statesmen. That is to say, they can think in terms of the whole metropolitan area and when necessary can sacrifice the short-run special interests of the central city to its less immediate, but no less real, interest in the welfare of the area as a whole.

It is not unreasonable to expect statesmanship of this kind from the mayors of central cities. No doubt, in many cases nothing of the sort is to be expected. But in others—New York, Chicago, Philadelphia, Milwaukee, Denver, and St. Louis come to mind especially—action along these lines has already been taking place with encouraging results.

As the center and energizing force of metropolitan organization, the mayor of the central city will seek actively to bring the other units of government into the necessary cooperative relations. He will not do this merely by preaching or persuasion. The proposed model does not assume that the lesser officials of the metropolitan area will also be statesmen (though it does not rule out that possibility). In many cases the mayors of suburban towns or the county commissioners will be unwilling to cooperate in matters which offer no disadvantages to their jurisdictions. This unwillingness is not due solely to the lesser stature of the small-town official, although

this may be a contributing factor. The decisive consideration is that the official elected by a relatively small and homogeneous constituency does not have the independence which would allow him to forego an immediate point for a more remote one, or to find support from one important constituency group when damned by another.

The mayor of the central city will not be without ability to impress others with the importance of cooperation. The merchants, bankers, real estate brokers, and other businessmen of the central cities suffer badly—in higher taxes, in lower income, and in difficulties of getting and keeping personnel—when property values decline in the core cities. Many of these leaders are influential residents of the suburbs, and often their interests, both economic and social, spill over the central-city boundary lines. Their civic groups are most often organized on a wider-than-single-city basis and have considerable influence in the affairs of many local governments. With the requisite leadership from the mayor, these citizens and their voluntary organizations may be mobilized to support area-wide collaborative activities. (An effort to enlist them in grandiose programs of governmental integration is far less likely to succeed; these are the very people to whom, in their role as family heads and homeowners, suburban independence is most important.) To utilize already existing voluntary groups is to maximize the effectiveness of such a citizen effort.

The governor's office can also be expected to help. Many governors in the past, in the words of Mayor Zeidler of Milwaukee, have been "not only indifferent to the problems of the central cities but also hostile to them." But, to a rapidly increasing extent, the populations of states are metropolitan-area populations. In almost every state, the governor has especially close ties to the rural areas—to "upstate" and "downstate"—but his electoral base is more and more bringing him

into the orbit of metropolitan interests. And as those interests are mobilized and made effective by the central-city mayor, the governor's cooperation can be assured. Downstate opposition need not always be anticipated. The possible economies in state expenditures that may accompany collaborative action of local governments in metropolitan areas may, on the contrary, produce downstate support. A combination of rural and suburban opposition will be fatal to the governor's cooperation with the central-city mayor; but if suburban cooperation is achieved, the governor's will follow.

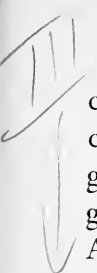
If he is to play his role on the metropolitan scene with full effect, the governor must have at his command more substantial staff aides than he has at present, and the state legislature must supply him with requisite programmatic tools. (In a later conclusion these are set forth in some detail.) (One important device available to him is the state grant-in-aid. State aid for such functions as sewage disposal, storm drainage, and water supply—and for housing and urban renewal as well—can be made contingent upon appropriate administrative collaboration at the metropolitan level.) No such state requirements will appear spontaneously. They require political encouragement; and they have little chance of being passed without prior agreement of city and suburban leaders. The economies and program advances made possible by collaborative action are patent arguments for both the initial agreements and the state legislation itself. (In short, with vigorous leadership from political leaders of the central cities, state aid can be used to promote an emerging federalism of the multiple governments in the metropolitan areas.)

The mayor cannot hope for success in metropolitan arrangements by mobilizing citizen support or by lobbying at the state house. These are important adjuncts, not his principal weapons. In the main, he must rely upon direct negotiations

with officials of other local governments. His bargaining position is good because he has power to give or withhold benefits which the smaller places want. Most of the local governments on the periphery of the central city need something from it. They want water and sewer lines extended. They want rapid transport to places of work. They want to use city parks and playgrounds. They want planning assistance.

If the mayor accommodates the suburbs overgenerously, he will not advance the cause of metropolitan collaboration. Once the petitioners get what they want, they are likely to be more indifferent to the needs of the central city than ever before. The mayor will do most for metropolitan organization if he drives a hard bargain. The suburb may have water from the central city at a fair price—but only if it first agrees to subdivision regulations consistent with the requirements of metropolitan development. The suburb may have its policemen trained in the central city and it may use the central city's crime laboratory—but only after it agrees to a plan for exchanging information about fugitives. The central city will agree to help support a planning staff—but only on the understanding that some of the planners will work on a metropolitan highway system while others do zoning chores for the suburbs.

Here again there is nothing new. Many central cities have brought an element of order into metropolitan relations in just such ways. The compact between Denver and its suburbs is a case in point. Salt Lake City is in an excellent position to bring about the orderly development of the entire county through bargaining with the smaller communities, because it controls the water supply. Grand Rapids has established uniform subdivision regulations on its peripheries by negotiating an agreement with suburbs concerning water, sewer, and other services.



Specialists in public administration frequently object to the creation of special-function districts because they further complicate the already complicated structure of metropolitan government. This is not a weighty objection if such special governments are utilized only for genuine area-wide problems. As noted previously, there are not many functions that really require a metropolitan jurisdiction. A more relevant objection to special-district governments, as they are usually constituted, is that they remove needed bargaining power from the mayors of the central cities. And this, even if special districts are few in number, becomes a towering obstacle to general inter-community collaboration over a wide range of problems. A suburb that has its water supplied by an independent agency can cease to cooperate without penalty in other functions. The solution for this difficulty is apparent: when special-function governments are established, they should be governed not by separate, independent boards but by the regular political heads of the governments concerned. The mayor of the largest city on such a board will find his effectiveness augmented in fostering general area-wide collaboration; where independent boards are established, this effectiveness is diminished.

In the absence of metropolitan government, metropolitan planning has an important, but not decisive, role (see page 166). In the proposed model, there is not a single plan for an entire metropolitan region; rather, there are several. The mayor's office must obviously contain a planning staff; so must the governor's. Other planning groups will exist in the special-function districts. The important point is not to leave planning in limbo. It must be attached to the arms of action—all of them. In the long run, this may mean that the most decisive planning comes from the largest general-purpose government. But it may also develop as an adjunct to a special-purpose

government for handling water, sewers, or transportation. The latter development will produce unified planning over a broad range of problems if political control runs, as has been suggested, to the offices of general government in the area concerned.

The mayor's bargaining for specific area-wide programs should be geared to his larger purpose of achieving a more comprehensive regional organization. (Where more than one local cooperative arrangement exists between two or more communities, efforts should be made to combine them into a single contract and to use common administrative machinery.) As William Rafsky, Philadelphia Development Coordinator, has written, "Thus cumbersome and overlapping devices are avoided, and the concept of broad regional cooperation is advanced."<sup>1</sup> More than this, the steady accretion of cooperative programs, fitted together through the normal push and haul of political bargaining, provides an organic method of constructing, through time, a new form of metropolitan federalism. Special staffs from the core cities, augmented by representatives of other communities, should be assigned to cultivate this development, performing, at least initially, planning and professional services for suburban areas for which no return is expected. Simultaneously—or as a second step—central cities can make available on a cost basis to small municipalities and other local units such services as those governments cannot easily provide for themselves—for example, a comprehensive plan for a suburban village; central purchas-

<sup>1</sup> Personal communication to the authors. They are indebted to Mr. Rafsky for several suggestions incorporated into this section. They have also profited from a memorandum by Luther Gulick. But neither Mr. Rafsky nor Mr. Gulick should be charged with responsibility for the "model" or any of its details. For another "model," published after our work was largely completed, see Luther Gulick, "Metropolitan Organization," *The Annals*, vol. 314, November, 1957, pp. 57-65.

ing services for a school district; or an application for Federal aid on behalf of a county. Here, as elsewhere, the advantages of collaboration are best demonstrated by collaborative action, and the central city mayor must display initiative and resourcefulness in matters of small importance if he is to make progress toward his larger goals. It bears repeating that he will find substantial political support for such efforts.

These suggestions obviously do not add up to a "solution" to the metropolitan-organization problem. (There is no solution in any absolute or final sense. There is, however, the possibility of moving step by step from where metropolitan organization now is to where it ought to be.) The advantage of the proposed model is that it can accomplish some things immediately while simultaneously traveling toward a more comprehensive regional organization. In both the short and long run, the model takes account of the importance of community discretion and local freedoms. It recognizes that some joint programs will appear unpalatable at times to some communities, and that joint voluntary action adversely affecting the interests of any given community will not be achieved through simple exhortation or come about easily as one in a series of contractual relationships. It recommends that such difficulties be met through the usual political processes of bargaining and compromise within a large framework of intent: that of sharing joint functions through some sort of local federalism. The program can only succeed if it has energetic leadership from central-city mayors and other political leaders. With such leadership it can find support from the governors, from business and social groups, and from professional planners and administrators. The advances that are to be made through this scheme of development may be slow; but they have the positive virtue of respecting local options and the negative one of avoiding the complete failure that may

follow insistence upon politically unattainable "ideal" programs.

### *Concluding Round-up*

Following the principal conclusion of the book, we list briefly some of the more important subsidiary conclusions which have been reached.

— *In general it is unwise to separate housing and urban re-development from the main structure of municipal government.* Keeping such agencies "out of politics" by making them independent or semi-independent bodies has often meant cutting them off from the sources of political interest and support without which they have been feeble and ineffective. As a rule, these functions should be directly under the control of the elected executive, a position which will give them both political weight and accountability.

*Metropolitan planning, in the sense of making and executing a comprehensive plan for metropolitan development, is impossible in the absence of metropolitan government itself.* Even without metropolitan government, planning bodies serve very useful functions. They may create a comprehensive plan and seek to persuade those affected to be guided by it voluntarily; gather data and make plans for *ad hoc* or special projects on which all concerned communities are substantially in agreement; and provide technical assistance and leadership to local bodies that are too small to maintain adequate planning staffs. These planning functions, although falling far short of what many think of as metropolitan planning, are indispensable in the model of action outlined earlier in this chapter.

*{ Additional research and analysis on a great many points is required, especially with respect to the significance for governmental organization of race and class differences between urban and suburban populations; the nature and amount of*



economies and diseconomies of scale in the organization of government; the sources of nonpecuniary satisfaction to various classes of consumers of local government service, with special reference to suburban and slum dwellers; the extent to which and the conditions under which participation in local government encourages the development of citizenship and the skills needed for democratic self-government; the political and social circumstances which favor or impede one or another type of governmental reorganization; the actual and potential value of metropolitan planning bodies under various circumstances; the administrative, political, and legal conditions which facilitate cooperative undertakings among local governments; the measurement of social cost, especially the social cost of slums, on one hand, and of exclusive suburban building restrictions, on the other.

*Voluntary associations, especially professional groups, may do much to facilitate the coordination of housing activity in the metropolitan areas.* Assessing, planning, and housing associations can increase expertise everywhere and can promote the communication important for collaboration in any given area. Trade associations of builders should be encouraged to make studies of the costs attributable to unreasonable standards in building codes, zoning ordinances, and subdivision regulations, to publicize the results, and to promote uniformity of practice. The study made by the Denver Metropolitan Association of Home Builders of differences in building codes (cited above) is an example of desirable practice.

✓ *There is need for a private agency—perhaps a foundation—to establish a training program which will recruit and give in-service training to the local leaders of unofficial civic groups.* Such groups, when aggressively led, can stimulate and carry through programs of housing and renewal in both small and large cities. The specific content of such a leadership-training

program need not be detailed here. However it should certainly include both the practical knowledge that can be gained from discussions with experienced and successful workers in the field and the more general background that comes from the study of legal and constitutional factors, urban ecology, especially as it concerns race and class, and metropolitan politics and administration. Perhaps the best way of carrying on a fully effective training program would be through the collaborative efforts of universities and civic-improvement associations.

*Minimum standards in housing are essential where public health and safety are involved.* Such standards, however, should describe a true minimum and not, as is often the case, what some group with a particular bias, e.g., housing professionals and planners, considers to be adequate. Properly defined minimum standards can be administered either on a centralized or a decentralized basis. Where smaller jurisdictions do not assume this responsibility, larger ones should. However, the case for uniform standards applies only to the minimum; therefore there is reason to favor governmental organization which encourages local autonomy and diversity in the decision as to where, above the minimum, the standard of adequacy is to be fixed.

*The states are concerned with the housing problem in metropolitan areas at almost every point.* In general their role should be a more active one. In particular:

States should give municipalities discretionary powers to create organizations of wide jurisdiction in matters relating to housing, urban renewal, and related community facilities; contract freely with each other for collaborative services or for the exchange of service on whatever terms they find mutually advantageous; take full and easy advantage of Federal programs and financing, and otherwise to carry on slum

clearance and urban-renewal activities in whatever ways they think best.

Where it is politically feasible to use the county as a more effective instrument of general government, state laws should be changed to encourage it. Some variant of the "urban-county" plan of metropolitan organization may emerge in some places from the program suggested in our principal conclusion; but this will not be possible unless county structure and powers are appropriately redrawn by changes in state laws and constitutional provisions.

States should abolish tax and debt limits; aid local governments to improve the productivity of the property tax and to build revenue systems that are neither inequitable nor regressive; and experiment with locally levied, state-collected taxes and with grants programs based upon local fiscal capacity and effort.

In some cases states should themselves perform the role of special-function governments in metropolitan areas—with respect to transportation systems, for example—and in most cases of interstate jurisdiction.

The states should encourage the adoption of uniform minimum building and housing standards and, where necessary, should enforce them.

They should provide the governments of metropolitan areas, and especially the smaller units, assistance and consultation services of all sorts: for planning, zoning, housing, water supply, and other matters, and for training personnel. They should also be prepared to supply actual operating teams to local units for these technical services on a contractual basis.

The states should experiment with grants for sewerage, water supply, housing, urban renewal, and other programs that are designed to encourage the collaboration of local governments in metropolitan areas.

The states should establish departments of local government for the efficient mobilization and coordination of all state resources in metropolitan matters and for the study and research necessary to bring about, in the long run, equitable solutions to metropolitan problems. Such a department should provide the governor and his department heads with a comprehensive view of metropolitan-area problems and should serve as a focal point or center of communications for concerting the actions of small and large cities, counties, special districts, state departments, and Federal agencies. On the basis of continuing studies, a department of local relations might recommend plans for partial (or, if it were politically feasible, complete) reorganization to the governor and, through him, to the affected localities and the legislature. Where there are disputes among localities, the state department of local relations should stand ready to offer expert and impartial mediation or arbitration.

The usual injunction that states should correct the injustice of underrepresentation of urban places in the state legislatures will not be heeded unless those underrepresented press actively for reform. The political purposes of many groups, including some urban ones, are served by the present imbalance in state legislatures. Nevertheless, large urban populations are grossly underrepresented. Political organization of the underrepresented, who include large segments of the ill-housed, must precede any reapportionment of the state legislatures.

*(Federal responsibility in housing and urban renewal will inevitably grow.* The central government has less to do than the states with local governmental structure; its primacy is with respect to program and purse. On the score of structure, however, care should be taken that Federal programs do not needlessly clutter the organization of government at the metropolitan level (by requiring, for example, the creation of local

authorities as a condition of receiving Federal aid); and that they do not needlessly interfere with traditional patterns of state-local relations. Where effectiveness is served by direct Federal-local programs, these should be instituted. But where a ready administrative apparatus exists for Federal-state-local collaboration, no competitive system should be established. As Federal grants for housing and renewal (as well as other Federal-aid programs) become larger and more numerous, their impact upon state and local budgets and expenditure patterns will become correspondingly greater, and the need for continuous collaboration among all levels of the Federal system correspondingly more necessary. Within the Federal government itself, there is great need for coordinating the many programs which affect metropolitan areas. Proposals under discussion range from a full-fledged Department of Urban Affairs to an enlarged White House staff on Federal-state-local problems. The responsibilities of the national government are important enough to demand an office of cabinet status.



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